

# The NATIONAL UNDERWRITER

*Life Insurance Edition*

LAST YEAR'S BONDS GOT US STARTED

## THIS YEAR'S BONDS



## ARE TO WIN!

★ Last year saw nearly 30,000,000 workers voluntarily buying War Bonds through some 175,000 Pay-Roll Savings Plans. And buying these War Bonds at an average rate of practically 10% of their gross pay!

This year we've got to top *all* these figures—and top them handsomely! For the swiftly accelerated purchase of War Bonds is one of the greatest services we can render to our country . . . and to our own sons . . . and our neighbors' sons. Through the mounting purchase of War Bonds we forge a more potent weapon of victory, and build stronger bulwarks for the preservation of the American way of life.

"But there's a Pay-Roll Savings

Plan already running in my plant."

*Sure, there is*—but how long is it since you've done anything about it? These plans won't run without winding, any more than your watch! Check up on it today. If it doesn't show substantially more than 10% of your plant's pay-roll going into War Bonds, it needs winding!

*And you're the man to wind it!* Organize a vigorous drive. In just 6 days, a large airplane manufacturer increased his plant's showing from 35% of employees and 2½% of pay-roll, to 98% of employees and 12% of pay-roll. A large West Coast shipyard keeps participation jacked up to 14% of pay-roll! You can do as well, or better.

By so doing, you help your na-

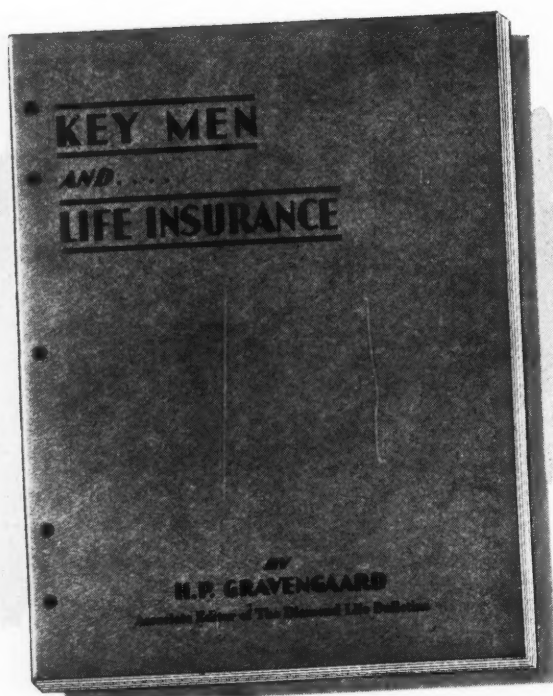
tion, you help your workers, and you also help yourself. In plant after plant, the successful working-out of a Pay-Roll Savings Plan has given labor and management a common interest and a common goal. Company spirit soars. Minor misunderstandings and disputes head downward, and production swings up.

War Bonds will help us win the war, and help close the inflationary gap. And they won't stop working when victory comes! On the contrary—they will furnish a reservoir of purchasing power to help American business re-establish itself in the markets of peace. *Remember, the bond charts of today are the sales curves of tomorrow!*

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FRIDAY, OCTOBER 15, 1943



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## Commissioners Ponder Anti-Trust Exemption Bill

### Executive Committee Adopts Carefully Composed Resolution

After deliberating for a day and a half on what position to take on the bills in Congress to exempt insurance from the federal anti-trust laws, the executive committee of the National Association of Insurance Commissioners in Chicago adopted a carefully worded resolution endorsing state supervision of insurance and appointing a subcommittee of three to study pending and proposed federal legislation. The subcommittee consists of Williams of Mississippi, chairman; T. J. Cullen, first deputy of New York, and Jones of Illinois. The resolution reads:

"Whereas, it is the consensus of the executive committee of the National Association Insurance Commissioners that the interests of the insuring public can best be served by proper supervision on the part of state governments, and in keeping with constitutional limitations as defined by the United States Supreme Court over the past 75 years;

"Now therefore be it resolved that the supervisors of insurance of the several states be urged to continue their study of pending or proposed federal legislation, touching the business of insurance, all to the end that they may protect the policyholders of their respective states and guard against any attempt to usurp the sovereign power of the several states or weaken the American system of free enterprise and;

"Be it further resolved that the chairman appoint a committee of three to keep in touch with such pending or proposed legislation and report to him thereon from time to time."

### Ask Many Questions

The executive committee held a short open session at the outset during which the question of this federal legislation was opened but none of the commissioners desired to discuss it publicly. It was obviously the capital topic of the hour for the commissioners, but they wanted to talk it over in an intimate way and make various inquiries. Many considerations were involved and the sentiment of the commissioners had not become crystallized.

The American Life Convention was holding its annual meeting at the Edgewater Beach Hotel at the same time and the commissioners desired to get the views of life insurance leaders. They found that the life insurance people, likewise, were asking questions and were striving to formulate an opinion. There was nothing resembling what might be termed a party line on the question on the part of the life insurance executives.

The fact that the commissioners did not adopt a resolution specifically endorsing the bills now pending does not mean that they are in any way hostile to the particular measures. As a matter of fact a number of the commissioners are known to be ardent advocates of these bills and none, so far as can be ascertained, are opposed to them. But they wanted to weigh the various considerations involved.

One of the questions that was raised by a number of the life insurance people

(CONTINUED ON LAST PAGE)

## Actuarial Group Merger, Preliminary Term Urged

### Maclean Makes Recommendations at Annual Meet of Actuarial Society

NEW YORK—In view of lower investment yields, change to modern mortality tables and the effects on reserve requirements under the net level premium system, even the large and well-established companies with relatively high premium scales should give some consideration to the adoption of the modified preliminary term basis, Joseph B. Maclean, vice-president and actuary of Mutual Life, declared in his presidential address at the annual meeting here of the Actuarial Society of America.

He also proposed the consolidation of the two great actuarial groups, the American Institute of Actuaries and the Actuarial Society of America. "Standards and operations of the two societies are now identical," he said. "Much of the most important work which is performed by the two societies today is done through the medium of joint committees . . . and in particular all the important work involved in the training of students and in the conduct of the examinations. The requirements for admission to either body have been identical for the past 12 years."

To show how membership in the two bodies has overlapped, Mr. Maclean stated that in the present year 94% of fellows of the Institute and 73% of associates are members of the Actuarial Society. On the other hand 71% of Society fellows and 54% of associates are members of the Institute of Actuaries.

Advantages to be achieved, he said, "include the elimination of unnecessary duplications, with much economy of time and effort; also the possibility of establishing a more efficient basis for conducting the administrative operations and activities of the combined societies. As an incidental, but in my opinion, an important point, I would hope too, that when and if a union were effected there would be a more definite recognition (as in the name of the combined society) of the importance of our Canadian membership."

Assaying the benefits of modified preliminary term, Mr. Maclean said: "The system is entirely sound and is certainly much more realistic than the net level premium system. It permits the adoption of a lower interest basis and provides a sounder basis for non-forfeiture values, as has been brought out in the reports of the Guertin committee. It permits the accumulation of a larger surplus—and it is surplus, not higher reserves, which is required in times of stress. Surplus earnings are made largely independent of the volume of new insurance written and would arise in a substantially uniformly increasing amount provided there is a clear interest margin—as presumably would be the case.

"The company's financial position may thus actually be stronger under a preliminary term valuation standard than if the same total funds were held with net level premium reserves since these funds would not be available in emergency unless it were possible to make a change to a less stringent basis.

"Such a change," Mr. Maclean declared, "might be misunderstood by the public and might give rise to unjustified doubts as to the company's financial strength or even as to its solvency. However, if the adoption of the modified reserve basis were coupled with a reduction in the interest rate for reserves from, say, 3% to a figure such as 2%, there would be little room for criticism on the grounds of lack of conservatism.

"It might also be felt that such a step might result in more expensive conduct of the business and that an established company should have a sufficient surplus to finance new business on the level premium basis. However, preliminary term reserves on a modern table with a low interest rate will, after some years, exceed in the aggregate the net level premium reserves by the American Experi-



JOSEPH B. MACLEAN

ence table with a higher interest rate.

"From the company's point of view there are too, some practical objections such as the possible reduction of non-forfeiture values below a competitive level (although such a move would probably involve the adoption of a low interest rate), a flatter dividend scale and the present objectionable requirement that the contract state that insurance for the first year is term insurance.

"If such action were to be taken by one or more of the larger companies it would go a long way to removing the misconceptions which appear to exist as to the soundness of the modified preliminary term system."

Mr. Maclean presented results of a survey made by D. B. Woodward, research assistant to the president of the Mutual Life, of expert opinion as to the course of interest in the next 20 years. He said majority opinion indicates that "after the war the interest rate obtainable on new investments will increase, but that this will be temporary, will be followed by a decline, and that over a period of the next 20 years there will, on the average, be little change from the present level."

### Ensor Now on Job as Md. Commissioner

Lawrence E. Ensor, the new commissioner in Maryland who succeeded John

B. Gontrum, now an associate judge, has taken over his new duties. He has been state's attorney for Baltimore county and has practiced law in Towson, since 1919. Mr. Ensor served four years as assistant in the state's attorney's office and was in his second term as state's attorney when appointed to his new post as insurance commissioner.



L. E. ENSOR

## Bridges Tells D. C. Group Purpose of His Tax Credit Bill

### N. H. Senator Seeks to Avoid Blow to Policy- holders After War

WASHINGTON — The Bridges-Goodwin bill will give a measure of federal income tax relief to life insurance policyholders and will contribute to the happiness of millions of Americans, will increase their capacity to provide economic security for their families in the event of their death and will vastly strengthen the institution of life insurance as a pillar of free and successful government, according to Senator H. Styles Bridges of New Hampshire who addressed a luncheon meeting Thursday of the District of Columbia Life Underwriters Association.

This was a meeting of distinction. Congressman Angier Goodwin also made an address and there were a number of distinguished guests at the luncheon including James A. McLain, president of Guardian Life and newly elected president of the American Life Convention; Henry P. Blair, president of Equitable Life of Washington; Insurance Superintendent Jordan of the District of Columbia; Eugene Thore, general counsel Acacia Mutual Life; Granville Gude, president Washington Board of Trade; Milton W. Kind, president District of Columbia Bar Association; A. S. Offutt, president D. C. Bankers Association; Dr. Fred R. Sanderson, president Medical Society of the District; Winfield Weitzel, president Junior Board of Commerce; Henry K. Dierkoph, president Washington Life Insurance Trust Council, and H. E. Hilton, assistant manager insurance department U. S. Chamber of Commerce.

### Blow to Policyholders, Blow to Nation

Senator Bridges remarked that there has grown up in the United States the most sound and best managed system of insurance savings and investment the world has ever seen. The insurance business rests upon the savings of from 60 to 70 million policyholders. It is important to protect this vast investment, for if disaster overtook many millions of the people, disaster would overtake the nation.

The Bridges-Goodwin bill, he declared, permits individuals to deduct from gross incomes for tax purposes certain amounts paid as life insurance premiums. The exemption provided would apply to policies in force on Dec. 1, 1941, and would be limited to 10% or \$1,000 whichever might be the lesser amount.

Senator Bridges' bill which he introduced last April is before the Senate committee on finance. A companion bill introduced by Congressman Goodwin of Massachusetts is pending before the house, ways and means committee.

There is a duty to perform on the home front of preserving free institutions and the free enterprise system. Otherwise men and women in uniform will return to a mere shell of democracy, he asserted.

Rising living costs, mounting taxes, increasing confusion, multiplying demands and obligations are pressing upon the people from all sides, he said. In the normal life of the country and under the

(CONTINUED ON PAGE 11)

## Nadler Gives Advice to Investment Officers

Marcus Nadler, professor of finance New York University and consultant economist Central Hanover Bank & Trust Co. of New York City, in his talk "If I Were an Investment Officer" before the Financial Section of the American Life in Chicago last week, said that the first question he would ask himself would be "In What Type of Security Can My Company Invest?" He referred to the various investments that might be made.

In considering government bonds he said insurance companies are the greatest thrift institutions in the country and hence they are investing the savings of the nation. He said that he would invest all new incoming funds or at least a great portion in medium and long term government obligations. Since the nation's efforts are directed toward winning the war the resources of the companies, he said, should be devoted to this purpose. He stated there is no risk attached to government bonds.

### Trend of Interest Rates

In speaking of the trend of interest rates he said various views have been presented as to the future. Some hold interest rates is inevitable because of insurance rates is inevitable because of the great demand for credit and capital on the part of industry and trade. A careful analysis of the situation as it exists today, he said, leads to a different conclusion, which is that for the next four or five years no material change can be expected. His conclusion is based first on the fact that the value of currency in circulation is rapidly increasing. At the end of the war there is bound to be a decline in the number of people employed. The supply of commodities available for consumption is bound to increase. Once this situation develops a return flow of possibly six, eight or ten billion dollars is bound to take place. This would bring about an increase in the volume of bank deposits accompanied by a corresponding increase in the volume of reserve balances.

### Government Debt Factor

Next, he said, no one can foretell what the public debt will be at the end of the war. The question may very well be asked whether a government with a debt service of four to six billion dollars a year will be willing to refund dozens of billions of dollars of maturing obligations into other securities yielding a higher rate of interest. The answer seemed to the speaker to be in the negative. Again Mr. Nadler said the fact should not be overlooked that the volume of bank deposits during the war has increased very rapidly and is still growing. He said that while there will be undoubtedly a demand for credit and capital it will not be as great as many believe.

He reaches the conclusion that no change in interest rates can be foreseen during the next four or five years. His analysis is based on the assumption that there will be no price inflation. He believes that it will be possible to prevent a sharp rise in prices and commodities during the war through higher taxes, increased savings, price ceilings, rationing, allocation, etc. To a considerable extent the movement of commodity prices in the post war period, he said, will depend on the fiscal policy of the government.

### Corporation Bonds

In speaking of high grade corporation bonds, including rails and utilities, he would ask what is the difference in return between the highest grade corporate bonds and that of the Treasury with the same maturity. If the difference is more than one-half of 1% he would be perfectly satisfied to retain the

corporate bonds. If on the other the return on the corporate bond is less he would ask himself if such a narrow spread is worth the risk that may be involved.

With regard to what he calls credit bonds, he said that in the past insurance companies have required bonds which while they were originally considered sound have not been able to stand the test of time and have become credit bonds, that is, obligations which fluctuate with business activity and with the outlook for business of the particular corporation and of the industry. He would ask himself the following questions. First, what is the outlook for the industry during the war and in the post war period? Next, to what extent have new developments created new competition in this particular industry and to what extent will it be able to meet this competition? Next, what measures did this particular corporation take during the prosperous period of the war to strengthen its position.

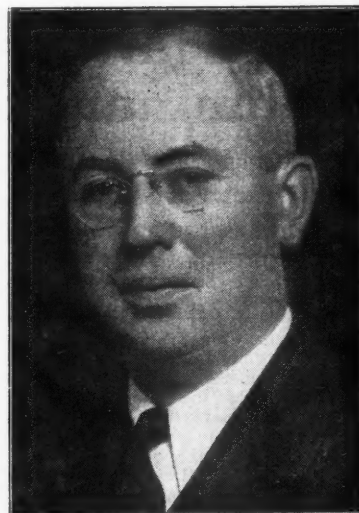
## REAL ESTATE MORTGAGES

He commented on real estate and mortgages. Real estate and mortgages, in his opinion, may be handled together because a poor mortgage soon becomes real estate and when the real estate is sold it becomes a mortgage. Life companies have invested a considerable amount in mortgages and it is reasonable to assume that they will continue to do so in the post war period. He said that it is not easy to make generalization about real estate because great changes will have different effects on real estate in various sections. Those areas which have benefited from the war where the population has increased permanently will witness an active real estate market.

Nobody yet knows, he said, how the wider use of airplanes, the coming of the helicopter and the new circular highways may change the habits of the people.

(CONTINUED ON PAGE 19)

## Near-President



L. D. CAVANAUGH

President L. D. Cavanaugh of Federal Life neared the promised land for he had a glimpse of the American Life Convention presidency. It was his turn to assume the responsibilities. According to custom and an unwritten law, the senior member of the executive committee in point of service, save the ex-presidents of whom there are two, is elevated to the presidency. Mr. Cavanaugh declined because of personal considerations, to accept the office, although much pressure was brought to have him accept the highest post in the A.L.C.

Aside from Mr. Cavanaugh's wide experience in the life company organization he served as president of the Health & Accident Underwriters Conference. He is now chairman of the insurance committee of the Illinois chamber of commerce and has been active in other associations. He is a most industrious executive, a man of signal ability who has the capacity of contributing materially to the industry. He was given a rousing vote of gratitude at the annual A.L.C. meeting for his service on its executive committee.

## Raise Bond Buying Figure to 12.17%



"That's more like it," is the collective expression of approval registered by Norma Eaton, Sylvia Barclay and Lee Brecount, employees of Northwestern National Life of Minneapolis, as they help Painter Tony Randolph alter the "10%" war bond sign in the company's home office to reflect a recent increase in bond

purchases to an average of 12.17% of payroll. The step-up resulted from resolicitation of NwNL employees during the recent Third War Loan drive in which still incomplete figures show Minnesota reached 124.5% of its total quota and attained 95.5% of its "E" bond quota.

## Commissioners' Dates Are Changed to Nov. 28-Dec. 1

### Commodore Hotel Instead of Pennsylvania—Executive Committee in Chicago

The winter meeting of the National Association of Insurance Commissioners is to be held at the Hotel Commodore, New York, Nov. 28-Dec. 1, rather than at the Hotel Pennsylvania in that city. Dec. 5-7, it was decided by the executive committee at its meeting at the Edgewater Beach Hotel, Chicago. The change was made because the Pennsylvania, which has been for years the meeting place of the commissioners, was not able to accommodate the group until after the middle of December. The meeting would still be linked to the annual convention of the Life Presidents Association, immediately preceding rather than immediately following the latter. The Life Presidents meeting is set for Dec. 2-3 at the Waldorf-Astoria.

A number of the commissioners were in favor of switching the meeting place either to Chicago or St. Louis, but inasmuch as Harrington of Massachusetts, the president, had canvassed the New York hotels and taken an option on the Commodore for those dates, the executive committee decided to continue with the New York plan.

### Gontrum to Speak

The committee decided to invite Judge John B. Gontrum, who just recently resigned as Maryland insurance commissioner and who is a powerful orator, to address the New York meeting.

McCormack of Tennessee, chairman of the executive committee, presided. The commissioners the first day were guests of the American Life Convention at the distinguished guests luncheon which was addressed by Governor Hickel of Iowa. On the second day they were luncheon guests of A. V. Gruhn, general manager of the American Mutual Alliance. Commissioners on hand in addition to the president and chairman included: Fraizer, Nebraska; Viehmann, Indiana; Jones, Illinois; Williams, Mississippi; Lockhart, Texas; Graves, Arkansas; Scheuffer, Missouri; Johnson, Minnesota, the vice-president; Read, Oklahoma, the secretary; Sullivan, Washington; Crabbe, Ohio; Erickson, North Dakota, and Allyn, Connecticut.

A. N. Guertin, New Jersey actuary, represented his state and T. J. Cullen, first deputy, was New York's man. George Goodwin, Connecticut deputy, was present to conduct a meeting of the accident and health subcommittee. M. R. Prener, North Dakota actuary, accompanied Commissioner Erickson.

Only a handful of camp followers was on hand at this meeting.

### Federal Legislation Big Topic

The question that dominated the discussions was the legislation that has been introduced in Congress to exempt insurance from the federal anti-trust laws. An account of the commissioners' deliberations on this subject appears elsewhere.

The commissioners had only a brief open session at the beginning and most of their deliberations were in executive session. A formal agenda had been prepared but there was no official statement as to the nature of any of the discussion or action taken other than on the federal legislation issue.

One of the items in the agenda was

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## U. S. Will Pay More Under War Dept. Group Rating Plan

**Increasingly Heavy A. & H. Claims Will Dip Deeply Into Reserve Pool**

WASHINGTON — The unfavorable experience on group accident and health in war industries will undoubtedly result in the government's paying substantially more under its cost-plus rating plan for group insurance than if the conventional basis of buying group insurance had been used. Such an outcome, incidentally, should not be regarded as a reflection on the rating plan as the bad accident and health experience is almost entirely due to war conditions and the War Department's purpose in requiring its radically different rating plan for cost-plus-a-fixed-fee contractors was aimed not only at keeping the group-writing companies from making too much money out of war-plant business but also to spare them unduly heavy losses.

The accident and health experience will make it necessary to dip heavily into the reserve pool that is a feature of the War Department rating plan and thereby diminish the amount that will be available to return to the government when business has run off the books. The A. & H. experience and losses will a good deal more than offset the satisfactory record for life and hospitalization.

### Reasons for Bad Record

Reasons why the A. & H. record is bad and getting worse appear to be employment of more women in war industries, older employees and marginal employees who ordinarily would not be taken on. There is also the fact that so many employees are getting vastly more than they are accustomed to, so that the accident and health benefit looks big in comparison with what they had previously been getting. For example, to a worker earning \$60 a week a benefit of two-thirds of that, or \$40 seems like a large amount to be paid for doing nothing when he or she was previously earning \$25 or so a week. Furthermore the accident and health benefit is not subject to income tax, although probably not enough employees realize this to make it any great factor in malingering.

Another reason why the A. & H. record is bad is that many workers don't want to be tagged as absentees and report as sick when they only want to take some time off. This is particularly true with women workers. A woman on the job finds that her housework is piling up and she needs time off to take care of it. Or perhaps she really becomes sick but stays off the job abnormally long because instead of resting she tries to clean up an accumulation of housework and thus prolongs her convalescence.

Incidentally, the bad A. & H. record is not confined to war plants on a cost-plus-a-fixed-fee basis but is general among other plants doing war work or those which have been affected by the abnormal personnel situation.

### Defer Investors Syndicate Trial

MINNEAPOLIS—Trial of the case of the Securities & Exchange Commission against the Investors Syndicate of Minneapolis, set for early this month in federal court here, has been postponed to Oct. 18 to allow the SEC more time to take depositions.

## Accountants Mouths Are Made to Water

**Learn at N. Y. Meeting of Tabulating Machinery for After War**

NEW YORK—New developments in tabulating machinery, currently reserved for the use of the armed forces, but available for insurance companies after the war were described by J. F. Hickey of International Business Machines at the fall conference of the Insurance Accountants Association. One of the most remarkable of these is a machine which takes the ordinary punched card and transfers the information on it to a narrow paper tape by means of perforations. This tape is then sent through a machine which transmits the information by telegraph to its destination where it is reproduced on an identical tape. The tape at the receiving end can then be passed through a machine which records the data on punched cards.

Thus, an agency or branch office in San Francisco could run its month's figures from its punch-cards on to a tape and then automatically transmit it by wire to the home office in New York City. Or if such speed in transmission were not essential, the tape could be rolled up and sent by mail at a fraction of the cost of sending duplicate cards, for the information from 1,500 80-column cards can be recorded on a roll of tape only about eight inches in diameter and costing about 25 cents. Incidentally, it is possible to eliminate information that applies to all cards, such as the name of the branch and the month, and have this information automatically in-

(CONTINUED ON PAGE 9)

## N. Y. Life Registers 37% Gain During Third Quarter

An increase of 37% in new paid life insurance was registered by New York Life during the three-months period ended Sept. 30, as compared with the third quarter of 1942. The total volume of new business exceeded \$118,000,000. The increase was made with a sales force which had been reduced by over 25% since the beginning of the war.

Lapsation was 22% below the corresponding period last year and surrenders declined 36%. Although mortality during the third quarter of 1943 was slightly higher than during the third quarter a year ago, it was lower than during the first and second quarters of 1943.

Life insurance in force on Sept. 30, exceeded \$7,280,000,000, a gain of approximately \$150,000,000 since the beginning of the year.

There has been a substantial reduction in policy loans outstanding, with policyholders liquidating such obligations at a much greater rate than new loans are being made. The decrease since the beginning of 1943 is approximately \$30,000,000.

Holdings of U. S. government obligations on Sept. 30, exceeded \$1,500,000,000, approximately 47% of total ledger assets.

### Hold K. C. Sales Congress

The Kansas City Association of Accident & Health Underwriters held a sales congress Friday with Claude V. Cochran, General American Life; J. C. Higdon, Business Men's Assurance, and W. J. Slack, Metropolitan Life, as speakers. John E. Miller, Columbian National Life, was chairman.

## Uniform Policy Form Tests in A. & H. Field Framed

**Commissioners Group Receives Company Recommendations**

A recommendation for uniform procedures for the filing of personal accident and health policy forms and recommendations as to what the forms shall embrace was submitted by a joint company committee representing the Bureau of Personal Accident & Health Underwriters and the Health & Accident Underwriters Conference to the subcommittee of the accident and health committee of the National Association of Insurance Commissioners at the Edgewater Beach Hotel, Chicago. These recommendations will now be studied point by point by the commissioners' committee which will prepare a revision according to its views and this will be submitted at the winter meeting of the commissioners Nov. 28-Dec. 1 in New York. George Goodwin, Connecticut deputy, who until recently was secretary of the A. & H. department of Connecticut General Life, presided as chairman.

Harold R. Gordon, executive secretary of the H. & A. Conference, presented the report on behalf of the committee. The other members of the company committee are R. A. Payne, Travelers; F. L. Templeman, Maryland Casualty; Paul H. Rogers, Aetna Life; R. J. Wetterlund, Washington National, and William Wollny, Commercial Casualty.

### Commercial Policies Only

The company committee had prepared its report at the request of the commissioners' subcommittee. A number of lengthy sessions had been held. The recommendations are confined to the approval of commercial accident and health policies only. They do not embrace weekly industrial policies or group or blanket or family expense contracts.

The committee recommended that when the subcommittee makes its final report, it make the suggestions effective at a future date of at least six months following the adoption of the report and that the recommendations be applied only to new policy forms submitted and approved on or after that date.

Nellis Parkinson of the Illinois department spoke on that point. He said that the Illinois department would not want to have its hands tied insofar as existing policies are concerned. It would still want to have the privilege of challenging policies that had previously been approved. Mr. Gordon expressed the opinion that Illinois would still have that privilege and that the company committee merely desired to obviate the necessity of getting approval anew for every policy in the portfolio. He said that competition forces companies continually to revise their policies and that the standard tests could be applied to every policy as it came up for amendment. Within a year or two practically all of the policies on the market would have been subjected to inspection on the new basis.

Commissioner Fraizer of Nebraska said that while he was not prepared to criticize the recommendations in detail he did approve the principle of providing a pattern for scrutinizing policies. He said that too often the policy examination is based upon the whims of insurance department employees.

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## Work Comparison

Every now and then we unconsciously slide into a session of grousing: the train was late, the butcher failed us, no butter, no gas, etc., etc. At some such time an underwriter may pull himself out of it by reading a comparison of army and office life written by one of our underwriters who is now training in the Army:

"Here we get up at 5:30; breakfast at 6; from 7:30 to 8:00 we have setting-up exercises; and from 8 to 12 we have four Monday Morning Meetings. In the afternoon, starting at 12:50 (50 minutes for lunch) we start drilling; on the drill field until 2; from 2 to 3 we have another Monday Morning Meeting; and then another hour of special drill, gas mask, grenade throwing, etc.

"Actually, with all the marching and special drills, I figure I make the equivalent of 100 calls, 75 interviews, and 50 sales talks. But no sales.

"Don't ask me to enumerate the subjects they teach in this outfit. Just multiply the Agency Manual by the Master Kit by 100, and you'll have what they are trying to throw into us in 13 weeks—then 6 or 7 more weeks of technical training."

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### THE PENN MUTUAL LIFE INSURANCE CO.

WILLIAM H. KINGSLEY  
Chairman of the Board

JOHN A. STEVENSON  
President

INDEPENDENCE SQUARE, PHILADELPHIA

## Manpower Forum Chicago Feature

### Research Bureau and Agency Officers Also to Discuss Compensation

Manpower and agents' compensation problems will occupy a large part of the program of the Sales Research Bureau-Life Agency Officers annual meeting at Edgewater Beach hotel, Chicago, Nov. 16-18. According to J. M. Holcombe, Jr., bureau manager, almost all the program Nov. 17 will be devoted to discussions of these two subjects by agency officers, field men and members of the compensation committee.

The second day's morning session will open with C. O. Fischer, vice-president Massachusetts Mutual, chairman Research Bureau board, in the chair. He will deliver the opening paper and there will be a discussion of certain aspects of the bureau's research work. Ward Phelps, bureau staff consultant, will talk on "What is the Man-power Picture Today?" and present an analysis of present man power, as well as a survey of recruiting activities this year.

#### Present Other Viewpoints

H. T. Burnett, vice-president in charge of agencies, Reliance Life, will tell what his company has been doing about the man-power problem in a paper entitled "The Need for a Clear Recruiting Policy." J. A. McAllister, superintendent of agencies Sun Life of Canada, will discuss the present and future status of the agency force in Canada with particular emphasis on how his company is planning to handle postwar man-power problems. The final paper of the morning session will be delivered by E. Paul Huttering, second vice-president Penn Mutual Life, on "Training: Today and Tomorrow."

Wednesday afternoon, members of the bureau's committee on agents' compensation will be heard on the first half of the program. Vice-president E. M. McConney of Bankers Life of Iowa, chairman of the compensation committee, will present the first half of what will be the fifth report of this committee. He will talk on the basic fundamentals of compensation. William P. Worthington, vice-president of the Home Life, vice-chairman of the compensation committee, will discuss the part that management must play in solving the compensation problem.

#### Agents' Head to Speak

The final speaker on compensation will be President Herbert A. Hedges of the National Association of Life Underwriters, who will present the field viewpoint toward the whole compensation question.

Then there will be a presentation of "The Field Viewpoint Toward Postwar Problems" by Clancy D. Connell, general agent of Provident Mutual in New York, immediate past chairman agency practices committee National association. His discussion will be based on the result of the survey conducted recently throughout the country on what the field is thinking about, and their criticisms and suggestions to the home office.

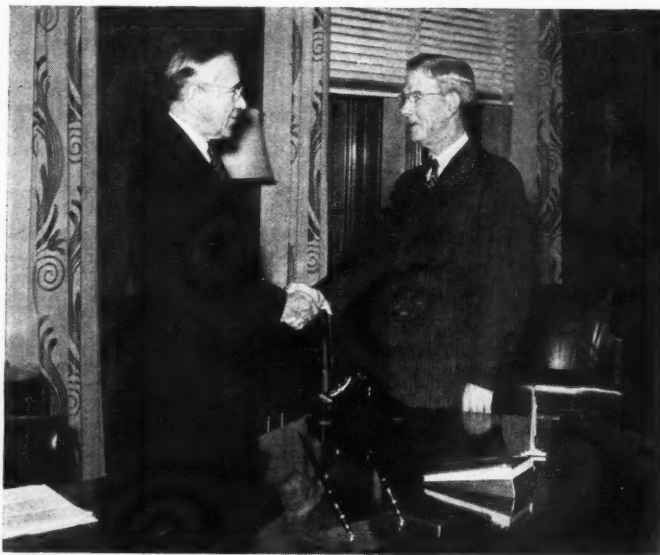
Someone from outside the life insurance business whose name will be announced soon will be the final speaker.

#### Set Fidelity Assurance Deadline

The common pleas court at Columbus has given policyholders in Fidelity Assurance of Wheeling to Nov. 15 to file claims. It has a \$500,000 deposit in Ohio.

Harry Yaw, division agency manager of Occidental Life of California, has been visiting general agents at Dallas, San Antonio and Houston, and meeting prospective representatives in other Texas cities.

## Bankers Life No. 1 Man Honored



Gerard S. Nollen, president of Bankers Life of Des Moines, congratulates Charles S. Huffman of Decatur, Ill., on winning the presidency of the President's Premier Club for the year ending

June 30. Mr. Huffman will undoubtedly write more than a million dollars of new business this year, his paid-for total to Oct. 1 being materially in excess of \$850,000.

## Life Companies Buy Canadian Bonds; Price Now Up

NEW YORK—During the past year a few life companies have been adding substantially to their holdings in Canadian government bonds and also in the government-guaranteed bonds of the Canadian National Railway. In recent months the price of these securities has gradually climbed to a point where they are no longer attractive from an income standpoint. For example, it is now impossible to buy Canadian governments on a basis to yield 3%, whereas 18 months ago the prices were such as to yield 3½% to 4%.

The Canadian National Railway issues ordinarily yield slightly more for comparable maturities. For example, Canadian National 5% bonds, due in 1969, callable in 1949, are currently selling to yield 2.68% as against 2.44% for Dominion of Canada bonds callable in 1950.

#### Strong Fiscal Position

The companies investing in Canadian governments and Canadian National Railway securities were motivated not only by the attractive yields but by Canada's increasingly strong fiscal position. To a considerably greater extent than the United States, Canada is paying her share of the cost of the war out of current taxes. Figures vary on this point but estimates run anywhere from 50% to 75%. Not only has Canada tremendous natural resources which will undoubtedly continue to be developed on a large scale after the war but her manufacturing industries are being built up and it is generally believed that Canada will be greatly strengthened economically as a result of the war.

Most of the bonds which life companies have bought in Canada are payable in dollars and hence are not subject to possible vagaries of exchange. For some years it was customary to make Canadian bonds payable in American dollars and also pounds sterling, and make them payable in Montreal, New York or London. This is not unusual in countries that are obtaining their financing from abroad. In fact, some American railroad bonds still outstanding are payable in English pounds, Dutch guilders, as well as in American dollars.

## Life Advertisers' New York Parley Program Completed

The Life Advertisers Association's annual meeting in New York City, Oct. 19-21, will open with a luncheon. The complete program follows:

#### Oct. 19—Afternoon

"The Cooperative Campaign," John S. Sinclair, executive vice-president New York Life, member of subcommittee for cooperative committee.

"Building Morale in the Field," Alexander E. Patterson, executive vice-president Mutual Life of New York.

"How Canada Is Meeting Wartime Problems," Ed Morton, advertising manager North American Life of Toronto.

Business session.

President's reception.

#### Oct. 20—Morning

"From All We Gather," Charles E. Crane, publicity director National Life of Vermont.

Panel on direct mail, Fred L. Fisher, advertising manager Lincoln National, chairman.

"Color, Direct Mail, and Human Nature," Robert D. Gaw, president Direct Mail Research Bureau.

#### Oct. 20—Afternoon

"Preview of Prosperity," Walter D. Fuller, president Curtis Publishing Co.

"The Biggest Threat to Postwar Life Insurance," Sylvia Porter, financial editor New York "Post."

"An Executive's Viewpoint on Public Relations," Carol M. Shanks, vice-president and general solicitor Prudential.

"Advertising in the Postwar World," E. R. Dunning, vice-president, N. W. Ayer & Co.

#### Oct. 21—Morning

Exhibit awards.

Panel on wartime advertising, Francis O'Brien, sales promotion manager Franklin Life, chairman.

"What's Ahead in Advertising Production," John D. Zink, president Strathmore Paper Co., member War Production Board's advisory board, pulp and paper division.

"What the Advertising Department Means to the Home Office and Field," Wendell F. Hanselmann, vice-president and superintendent of agencies Union Central.

Installation of officers.  
Farewell luncheon.

## Canada's Health Improves in War

### Metropolitan Study Shows Lower Death Rates for Civilians

NEW YORK—Canada has come through four years of war with her people enjoying very favorable health conditions, according to statisticians of Metropolitan Life. They base their statement on the record low mortality established during the war period by the insurance company's Canadian industrial policyholders, a record made despite a heavy increase of Canadian war fatalities, from less than three per 100,000 in 1940 and 1941, to 12.8 in 1942, and to 27.4 for the first eight months of this year.

Even the dislocations and hardships natural with war failed to retard more favorable mortality, especially among the children of the Dominion, the statisticians point out, because the improvement in mortality was "particularly marked for the diseases which take their heaviest toll at the younger ages." The death rate for the communicable diseases of childhood, measles, scarlet fever, whooping cough and diphtheria, declined to the lowest figure ever recorded for those diseases. Diarrhea and enteritis, likewise important causes of death among Canadian children, also showed considerable improvement.

Explaining that while the rate of decline in tuberculosis mortality among the Canadian insured persons has been somewhat retarded during the war period, the statisticians say that nevertheless "the average death rate for the years 1940 to 1942, 47.1 per 100,000, established a new minimum at a level almost one-fifth below that for the period 1934-1936. The improvement in tuberculosis mortality is important not only because it represents the saving of many men and women at the prime of life, but also because it is usually a good index of the general health status of the population."

Through the use of serum and chemotherapy in the treatment of pneumonia and the use of chemotherapy in cases of appendicitis and diseases incidental to childbirth, the death rate from these diseases was reduced among the insured group during the war years.

On the unfavorable side of the Canadian health picture, the statisticians say, were increases in mortality from cancer, diabetes, the diseases of the heart and arteries, and from accidents.

## Criticises Three Insurers for Ban on Part-Time Work

HARTFORD—Three life insurance companies doing business in Connecticut have been severely criticised by Manpower Director William J. Fitzgerald for refusing to permit their agents to take part time war production jobs. None are Connecticut companies. Mr. Fitzgerald characterized the attitudes of the companies as "unrealistic" and said that steps are being taken to bring the matter to the attention of the proper authorities in order to effect a change in policy.

Mr. Fitzgerald said that the manpower commission can increase the number of hours to 48 but dislikes penalizing insurers which have cooperated 100% in the emergency by encouraging employes to take part time jobs.

#### Wins Direct Mail Award

The Fifty Leaders Award for effective direct mail advertising has been awarded to Ohio National Life by the Direct Mail Advertising Association. This is the second time Ohio National has received this award, and in addition, has taken eight awards for effective life insurance advertising.



## Strong Support for S. B. 1362 Is Urged in Washington

SEATTLE—Strong support for Senate Bill 1362, the anti-federal insurance regulation measure, is forthcoming from many parts of Washington, with farmer and business groups joining forces with insurance interests in urging enactment of the legislation.

The most noteworthy developments included adoption of resolutions by the Washington Grange and the Seattle Chamber of Commerce. Other chambers of commerce and farm groups were reported taking similar action in urging the state's congressional delegation to throw its full support behind the proposed legislation.

### Grange Stresses Local Control

The present state regulation is eminently satisfactory and to the best interests of the people, because of the local control factor and the better understanding of local conditions, the grange, which operates Grange Fire and Grange Mutual Life, stated in its resolution.

Chamber of commerce trustees approved a lengthy resolution calling on Washington congressmen to support the bill. The resolution traced the development of state supervision, pointed out that in the 50 years the anti-trust laws were in effect no attempt was made to apply them to insurance until 1942. "The application of the anti-trust laws would nullify state regulation and create chaos in the business. Uncontrolled competition in insurance is not desirable in the public interest and cooperation in many phases is essential to the fair treatment of all policyholders. The local nature of the insurance business makes it highly desirable that state regulation be continued," the resolution pointed out.

In the meantime, local agents and brokers throughout the state have been enlisting the support of many other business, trade and farm groups and many communications are going to the Washington congressional delegation urging the enactment of Senate Bill 1362.

### MINN. SENATOR OPPOSES BILLS

MINNEAPOLIS — In connection with bills now before Congress to exempt insurance from the anti-trust laws, Senator Joseph H. Ball of Minnesota says it does not jibe with his philosophy of economics and that he will oppose the bills unless strong arguments are presented to him in their favor. Most other Minnesota representatives have indicated a willingness to support the measures.

### ACTION IN LOS ANGELES

LOS ANGELES — The governing committee of the Los Angeles Insurance Exchange has adopted a resolution backing the move to exempt insurance under federal anti-trust laws. Efforts to bring fire insurance under federal supervision are resulting in uncertainty and fear that the application of such laws to insurance would nullify state regulation and create chaos in the business, it stated. Congress, by affirming that federal anti-trust laws are not applicable to insurance, "would grant no special privilege, nor waive power or right but would assure it the opportunity for deliberation in exercising any of its powers in the future." Copies were sent to senators and congressmen representing this district.

### Elsie Matthews Opens Up Own Brokerage Office

Elsie M. Matthews, chairman of the Quarter Million Dollar Round Table and past chairman of women underwriters committee of the National Association of Life Underwriters, has opened an office for general brokerage business

at 427 Bloomfield avenue, Montclair, N. J. She recently resigned as a personal producer from the John A. Ramsey agency of Connecticut Mutual Life in Newark.

Entering the business with New York Life in 1936, she joined the Ramsey agency in 1941. In September, 1941, she was placed in charge of a unit, which at her resignation last July to enter personal production led Connecticut Mutual in new unit production throughout the United States. Despite the demands on her time from her activities in the National association and supervisory duties, Miss Matthews personally paid for \$292,000 last year. The past

four years she qualified for the Quarter Million Dollar Round Table and is currently chairman of that group.

Prior to entering life insurance, Miss Matthews was in the real estate and investment business. She is widely known in life insurance and has appeared numerous times as a speaker on life underwriters association programs.

### Big Michigan Volume for L'Estrange

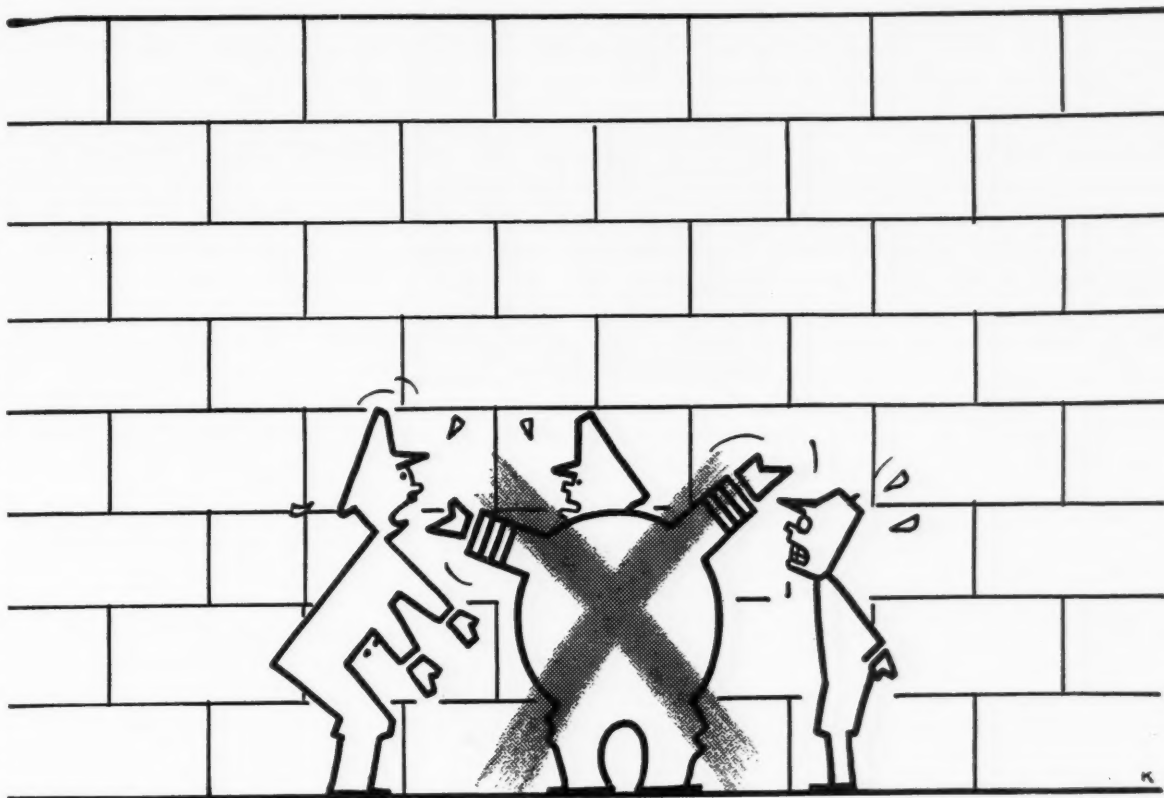
In the first week of October, which has been designated by Wisconsin National Life as L'Estrange Month in honor of its vice-president, 24 Michigan agents mailed in 88 applications totaling \$212,097 of business. This is by far

the greatest volume ever received in one week from the Michigan agency, which is setting its goal at \$500,000 for the month.

J. Riley Oles of Lansing is leading with \$58,153, followed closely by Stanley Voorheis with \$45,406.

### Buys Literary Collection

The literary collection of Sergeant Klaus Mann of Camp Crowder, Mo., son of Thomas Mann, author, was sold at Kansas City to W. T. Grant, president, for Business Men's Assurance, for \$1,000,000 in war bonds. Mr. Grant will present the collection to the library of the University of Kansas City.



## YOUR FUTURE..



Our Field men are assured of their future. They not only have a retirement plan for enjoying their life's work but also, a complete line of participating policies, plus many special ones, for men, women and children and a liberal contract to guarantee a future.



Your "future" will be as blank as Benito's, Messrs. Hitler and Tojo. You will have no flag waving, cheering or enjoyment of the victory you planned. All you can hope for is to pay and pay for the misery and damage you have caused. There will be no "New Order" as you planned.

Bankers National men are helping to build your future. While their part is small in comparison to the total effort of the United Nations, it is important and we are very proud of it. They are doing the very things you thought they couldn't and wouldn't—doing them cheerfully and with an enthusiasm that insures your "future".

## BANKERS NATIONAL LIFE INSURANCE COMPANY

RALPH R. LOUNSBURY, President WILLIAM J. SIEGER, V. P. and Supt. of Agencies

Montclair



New Jersey

## Attorneys Taking Keener Interest in Life Insurance

DETROIT—The problems in connection with life insurance are proving to be of more interest to attorneys today than ever, H. B. Thompson, secretary-counsel Associated Life General Agents & Managers, told the members at a luncheon meeting.

Attorneys' groups are more interested in what life insurance will do for their clients' estates than in the various phases of insurance in connection with taxes, he declared. They are likewise keenly interested in the impact of the war on life insurance, and are wondering if the field forces are not facing more dislocation by government action than most in the insurance business are willing to admit.

### More Cases Desirable

Attorneys believe that life insurance men should guard against too much emphasis on large cases, that more benefit will redound to their clients if more cases and smaller ones are written. Attorneys know from unpleasant experience that all too many small estates consist almost entirely of insurance, and in most cases there is not enough of it to adequately care for the family. Where small estates contain little or no life insurance, they know that usually their ability to produce income for the family is not far from nil.

The attorneys feel that developments of recent months indicate that the life insurance business should batten down its hatches and prepare for storms, a feeling that is shared by the leaders of the insurance business.

William Mulligan, manager Manufacturers Life, and B. A. Schauer, general agent Penn Mutual, reviewed the highlights of the National Association of Life Underwriters' Pittsburgh gathering.

### L. A. Managers Meet

LOS ANGELES—The Life Insurance Managers Association of Los Angeles viewed the film, "The Fifth Freedom," at a meeting with Edward H. Donovan of the Rodney E. Boone organization as chairman. Kellogg Van Winkle, Equitable Society, chairman of the legislative committee of the California Association of Life Underwriters, discussed the bills in Congress to exempt insurance from the anti-trust law.

Roy Ray Roberts, State Mutual Life, said the C.L.U. is supporting the plan to get an insurance educational program in secondary schools throughout the country.

James H. Cowles, general agent of Provident Mutual, president of the Life Underwriters Association of Los Angeles, made a report on the two years' advertising program of that group in Los Angeles newspapers.

### Offers Thanksgiving Turkeys

West Coast Life will again give 12-pound Thanksgiving turkeys to agents accumulating 500 points on the basis of 50 points per \$1,000 completed business, with additional point allowances for cash settlements. Each 50 points over 500 adds a pound to the weight of the turkey.

## WANTED

### Group Insurance Man

Experienced in all phases of group casualty coverages, by large midwest casualty company planning to enter group field. Prefer man with Home Office experience. Give full details. Replies will be kept strictly confidential. Address T-24, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

## Selection Men Ready for Parley in Chicago

Home office underwriters from all parts of the United States will gather at the Edgewater Beach Hotel in Chicago



DAVE B. ALPORT

this week-end for the annual meeting of the Institute of Home Office Underwriters. The meeting opens Friday and runs through Saturday.

The program this year is closely re-



WALTER B. LENKUHL

lated to the war and problems vital to the home office underwriter will be discussed by leaders of the business. The two-day program this year is devoted strictly to business.

### Lenkuhl Will Preside

Walter B. Lenkuhl of American Reserve Life, who is general chairman of the meeting, will preside and will deliver the opening address, to be followed by the annual report of the president, which will be submitted by Dave B. Alport of Business Men's Assurance.

Mr. Lenkuhl has been an important factor in arranging for the annual gathering. He has been the right hand man to President Alport and has given much valuable support to the administration.

### Stover Atlanta Manager of Phoenix Mutual Life

Elmer F. Stover has been appointed Atlanta manager of Phoenix Mutual Life. For the past few weeks he has been attending a special management school at the home office.

Mr. Stover joined the Atlanta agency of Phoenix Mutual in 1930 and since that time has won many production honors, including membership on the President's Field Staff, an honorary group made up of the company's leading representatives. In 1936 he was appointed supervisor.

He was a star football player and is a veteran of the first world war.

## Winchell Gives Some Hot Tips on Insurance

NEW YORK—Predicting that the administration would "probably" introduce a bill for a government insurance company, Walter Winchell, in his Sunday night broadcast over the Blue network said that U. S. Attorney-general Biddle would personally appear before the United States Senate "to battle the insurance trust legislation."

"Mr. Biddle considers this test case, which will reach the highest court, the most important in 100 years," Winchell continued. "The administration will accept full battle with this larger financial empire, probably introducing a bill for a government insurance company."

"Behind the scenes it represents also a very bitter fight between the attorney-general of the United States, Mr. Biddle, and his former U. S. attorney, Tom Cahill of New York, both new dealers. The fight will most likely result in an insurance probe rivaling the Wall Street expose, either grand jury or congressional."

Mr. Cahill is a member of the law firm of Wright, Gordon, Zachry, Parlin & Cahill, counsel to the Southeastern Underwriters Association in its defense against the Department of Justice's anti-trust action.

## Treasury Postpones Date for Restrictions on Pay of Salesmen Employees

The Treasury will shortly find a way of modifying its recent ruling limiting the amount of commission payable to employees while still imposing a curb on the greatly inflated incomes of salesmen selling to war industries and to the government. Insurance men who have been following this situation feel the ruling which rescinded the former basis under which the only commission ceiling was the percentage payable brought a storm of protest at Washington from many businesses which would be affected even more drastically than insurance. These seem to be having an effect. It was apparently not the Treasury's intention to put a dollar ceiling on commissions except where there has been a really inflationary increase.

The Treasury Department has postponed the effective date of the new regulation that restricts the amount that may be paid to employees that are compensated on the basis of a fixed percentage of sales to an amount not exceeding what such salesmen received in the last fiscal year of their employer prior to Oct. 3, 1942. This ruling has created a great deal of confusion and A. D. Burford, deputy commissioner of internal revenue in charge of salary stabilization, was quoted as saying that a clarifying statement would soon be issued. In the meantime no employer will be penalized for any payments that may be made to salesmen. In the insurance field those immediately interested include industrial life insurance companies whose agents are held to be employees, salesmen for direct writing fire and casualty companies and certain large fire and casualty agencies that employ salaried solicitors.

The insurance people assume that they can get exemption from any such ruling but they hope that they can get it in the form of a blanket ruling rather than having to submit each case individually.

J. P. Newman, district manager West Coast Life at Lubbock, Tex., has completed 16 years of consistent weekly production. Mr. Newman also has a 100% renewal record for 1942-1943.

A four-page mailing piece tells accident insurance prospects why home is a hazardous place. Get samples from The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

## Social Security Payments Where No Direct Beneficiary

WASHINGTON—Where a person covered by social security dies without leaving anyone entitled to receive either an income or a lump sum death benefit, the Social Security Board has ruled that the lump sum shall be payable to any person or persons equitably entitled thereto, to the extent and in the proportion that he or they shall have paid the burial expenses of the decedent. The ruling, which is retroactive to Jan. 1, 1940, excludes as recipient of such payments, however, the following: The U. S. government or any wholly owned instrumentality thereof; any person under contractual obligation to pay the burial expenses of the deceased, to the extent of such obligation; any person paying the expenses of the burial of a member or employee of such person, to the extent of any payment under a plan, system or general practice; any person furnishing goods or services in connection with the burial of the deceased to the extent that goods or services are furnished; any person who has been, or will be, wholly or partially reimbursed, to the extent of such reimbursement.

Don't let brokerage questions bother you. Get "Who Writes What?" \$2.50 from National Underwriter.



★ FEW BROADSIDES COMING TO MY DESK HAVE IMPRESSED ME MORE THAN ONE RECENTLY PREPARED BY RAY E. FULLER OF THE EQUITABLE LIFE OF IOWA. THE BROADSIDE ILLUSTRATES THE SIX BASIC NEEDS, GIVES A COMPELLING POWER PHRASE, AND LISTS SUITABLE INTERVIEW LITERATURE.

\*\*\*

THE BROADSIDE is to hang over the desk of every agent and in every office as a constant reminder that life insurance offers a complete program of protection embracing every income need from the speechless babe in the cradle to the gray-haired man and woman.

\*\*\*

TRULY IT CAN BE SAID OF LIFE INSURANCE, "Thou hast all seasons for thine own!"

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SPEAKING OF POWER PHRASES, I am reminded of one I heard from Johnny Costello, the Texas boy who did such a fine job at Pittsburgh. Here it is:

"A man's wealth is only the amount of money he can command in an emergency."

In other words, wealth is not maximums but minimums—a good thought for men to ponder these days.



PAUL SPEICHER  
Managing Editor

THE INSURANCE  
RESEARCH & REVIEW SERVICE  
INDIANAPOLIS



## Two 1944 Calendars for New York Life



New York Life is publishing two 1944 calendars for its field forces, a large one, 21"x31", specially designed for offices, shops and schools, which is illustrated with a water color painting of Marshall Point Light, Maine, by Andrew Wyeth,

one of America's leading young artists, and a smaller one, 9"x15", for the home, illustrated with a portrait of a baby's head by Maude Tousey Fangel, who did the original paintings for New York Life's new "Baby Book."

## Caperton Feted at Ten Year Mark

Joseph C. Caperton was honored at a surprise dinner in Chicago Tuesday evening marking his 10th anniversary as Chicago general agent for State Mutual Life. President George A. White and other officials of State Mutual were in the city for a regional meeting of general agents and they attended the dinner. Robert H. Denny, superintendent of agents, took Mr. Caperton under his wing that afternoon and had him committed to a dinner engagement. When the agency group, numbering about 30, had assembled, Mr. Caperton was escorted into the room and it was obvious that he had had no intimation of what was in store.

### Ray Frank Presides

Ray Frank, million dollar producer in the agency, presided. The main talk was made by President White. He said that before he became an officer of State Mutual but while he was a director he visited Mr. Caperton in Chicago and he has gained increasing respect for his leadership. He said that he has to an unusual extent the ability to pass on to producers motivation, the thing that ultimately sells life insurance.

Miss Christine Ludwig, the cashier, who is one of the big assets of the agency, spoke in appreciation of Mr. Caperton. Mr. Denny declared that Mr. Caperton's philosophy of life insurance has meant much to State Mutual and he presented the honor guest a 10 year service award.

Paul Larson, in behalf of the agency, presented Mr. Caperton with a handsome pen and pencil set.

Mr. Caperton in responding said that he gets his inspiration in life from participating in the success of other men. He said life insurance selling is a long, hard pull and an agent needs all the guidance and inspiration that he can get. "When a general agent makes a contract with a man it is up to him to fulfill his part of the bargain," Mr. Caperton said. "If I do my job a little better, the other fellow will do his a little better."

Also attending from the home office was I. T. F. Ring, the general counsel. State Mutual head office leadership now consists of a group of men in younger middle life who are progressive, democratic and congenial and they are exerting an electric influence upon the

field organization. In addition to Messrs. White, Denny and Ring, the head office contingent at the meeting for general agents in Chicago included Jason E. Stone and Carl R. Litsheim, assistant agency supervisors, and Arthur F. Sisson, advertising director. The group went from Chicago to Cincinnati where they are holding another regional meeting Thursday and Friday.

## N. C. Commissioner Strongly Upholds State Supervision

CHARLOTTE, N. C.—The right of states to supervise the operations of insurance companies was upheld by Commissioner Hodges of North Carolina in an address before a joint meeting here of representatives of all insurance lines in Charlotte.

"Such regulation has always been the subject of statutory enactment by the various legislative bodies of the several states and the duty of supervision has been entrusted to a state division maintained for that particular purpose," he said. "Like all activities vested with public interest, insurance in all of its branches should be supervised. Such supervision should and must be exercised in the most effective way possible in order that the proper protection shall be afforded the public."

Expressing approval of bills before Congress which would exempt all forms of insurance from the Sherman and Clayton acts and leave control of insurance to the states, Mr. Hodges declared that "because of the recognized effectiveness of state regulation and because of the very local nature of the business of insurance I am of the opinion that a continuance of the present method of regulation should remain as a state function."

W. H. Gaither, president of the Charlotte Life Underwriters Association, presided and Mr. Hodges was introduced by Joseph A. Carruth, representing the Stock Fire Insurance Club of Charlotte. The Charlotte Insurance Exchange, casualty and mutual agents organizations participated. J. F. Fletcher of Raleigh, manager of the Compensation Rating Bureau of North Carolina and the North Carolina Automobile Rate Administrative Office, attended.

H. G. Royer, president of Great Northern Life, was recently married to the former Mrs. Elizabeth Rauscher of Oak Park, Ill.



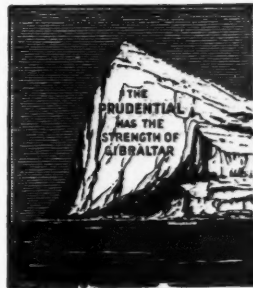
## They Need Our Help

Every year many boys and girls become fatherless at a tender age.

With the loss of the breadwinner's income they may also have to forfeit their mother's time and care. They must travel unaccompanied along life's unknown road.

Life insurance payable to the mother enables her to hold her job as guide and guardian until they are old enough to find the way themselves.

Our task is to remind living fathers of this need.



**The Prudential**  
Insurance Company of America

Home Office, NEWARK, N. J.

### Ill. Agents Law Activity Comes to a Halt

The Illinois insurance department presently is issuing no new agents or brokers licenses, and it is making no effort to enforce the agents and brokers' law in any way. As a matter of fact, it is declining to answer any questions on the subject. This is due to the fact that a temporary injunction was issued the other day by Circuit Judge LaBuy of Chicago at the instance of Graeme H. Smith, life insurance agent at 208 South LaSalle street, Chicago, restraining the department from enforcing the agents and brokers' law. The writ is returnable Oct. 18. Some time ago when the department called a hearing to determine whether Mr. Smith's license should be renewed this year, Mr. Smith obtained an injunction restraining the department from holding such a hearing. Later the injunction was extended to its present scope. Mr. Smith alleges that the law is unconstitutional.

It is understood that many of those desiring to become licensed just now are making application and when they get a letter from the department saying it can take no action they proceed to engage in the business, assuming that they are incurring no penalties in so doing.

Mr. Smith has been in the business about 15 years. He was with the Hintz-peter agency of Mutual Life and then went with the Hintzpeters when they became attached to Mutual Benefit Life.

### Baltimore Life Makes Changes

A number of promotions and appointments are announced by Baltimore Life following the recent death of C. F. Morrow, vice-president and counsel. P. P. Swett, Jr., formerly in charge of mortgage loans in eastern United States for Connecticut General Life, was elected treasurer.

Promotions include J. Brookes Smith from treasurer and actuary to first vice-president; H. E. Niles, from secretary to second vice-president, and Dr. J. M. H. Rowland, medical director, becomes secretary in addition to his present duties.

New directors are Carlisle Barton of Niles, Barion, Morrow & Yost, the company's general counsel; H. N. Humphreys, assistant auditor, and Mr. Swett.

Mr. Smith, previously with Shenandoah Life, has been actuary since 1931. Mr. Niles has been devoting a considerable portion of his time to duties with the OPA in Washington, but expects to return soon on a full time basis. Mr. Swett has been on leave of absence from Connecticut General as assistant to the assistant administrator of the National Housing Agency.

### Mikesell Back in Group Field

LOS ANGELES—A. Frank Mikesell has been appointed a special representative in the group department of the W. M. Hammond agency of Aetna Life. Mr. Mikesell completed the group school course at the home office in 1931 and was assigned to duty at Seattle. In 1934 he was transferred to St. Louis as manager of the group department. In 1938 he left the group department and went into personal production. He left the field for his present position.

### Renewal Commission LOANS

LIFE UNDERWRITERS CREDIT CORPORATION  
Minneapolis, Minn.

### Prudential and 3rd War Loan Drive



Prudential plays big part in war loan drive in New Jersey with President Franklin D'Olier as state chairman:

George Potter, second vice-president of Prudential and vice-chairman of the drive in New Jersey; John E. Manning,

collector of internal revenue and state administrator of New Jersey in war loan; Vice-president Henry A. Wallace, Col. D'Olier, and Horace K. Corbin, Prudential director, vice-chairman of the campaign.

ham Bleetstein was in charge of the agency sales force, which sold 3,916 bonds for \$8,584,534.

### Cal. May Tax Premiums Derived from Cal. Residents Under Contract Made in Kan.

LOS ANGELES—Attorney General Kenny has rendered an opinion in which he predicts that the courts might hold that the premiums derived from residents of California under a group contract executed by a California insurer in another state are taxable. The opinion was rendered in response to an inquiry by the state board of equalization.

The contract in question was a group life and disability contract entered into at Kansas City, Kan., with a labor union.

Under date of June 30, 1941, the insurer entered into a contract with the union. The union made it a condition precedent that the contract be a contract made in Kansas, and, in its effect and interpretation, subject to the laws of Kansas and to the approval of the department of that state.

"It appears," the attorney general states, that notwithstanding the fact that the contract was made and is to be performed at Kansas City, Kan., that portion of the gross premium receipts derived from residents of California is taxed by your board and has been, since the making of said contract, returned by said insurer in its California tax return. As to the gross premiums derived from California residents, the state of Kansas does not include such receipts for taxation purposes.

"In view of the admitted fact that the group contract before mentioned was made and is to be performed in Kansas, it is my opinion that your board may not tax that portion of the premiums received by the insurer thereon which are not derived from residents of this state. The case of Connecticut General Life vs. Johnson, 303 U. S. 77, clearly establishes the law that a state taxing authority may not tax business transactions beyond its borders.

"In view of the peculiar wording of the group contract in respect to the issuance by the assured of individual certificates to its union members, it is possible that the coverage of such members resident of this state would be construed by our appellate court as constituting business done in this state and therefore justify the tax on that portion of the business of said insurer under the group contract in question."

### Equitable Society Bond Sales

Several hundred Equitable Society employees and agents in the New York City area during the third war loan drive sold a total of 17,128 bonds aggregating \$10,963,000. The campaign was under the general chairmanship of A. P. Carroll, agency assistant. Manager Abra-

### N. W. Mutual Employees Trust Business \$95,000,000

Northwestern Mutual Life has already issued policies in connection with 265 employees' trusts aggregating \$95,000,000.

### Life Men Study Anti-Trust Bills

The Life Presidents Association has appointed a committee to study the Bailey-Van Nuys bills introduced in Congress to clarify the status of insurance as being exempt from federal anti-trust laws, and the American Life Convention is also naming a committee.

### Hays & Bradstreet in Front

LOS ANGELES—Hays & Bradstreet's agency of the New England Mutual has been advised that it ranked number one among all agencies in paid for business for September and likewise held the same rank for the first nine months.

### Seek Army Insurance Salesman

MEMPHIS—Staff Sgt. Clarence L. Poe, who recently sold \$4,000,000 of life insurance in a month as head of the army insurance office at Newport army airfield, has received a post-war offer to join an insurance company.

## CONFIDENT OUTLOOK

Based on an impressive investment position . . . conservative valuation of assets of the highest character . . . large contingency reserves . . . ratio of \$110.56 in assets for every \$100 of liabilities . . . high interest earnings . . . long established low mortality experience . . . absence of large volume of annuities . . . no reinsurance . . . no mergers. . . Appraised from whatever angle, there is ample assurance that Pilot Life will maintain its present favorable position with respect to dividends, premium rates, and interest payments.



**PILOT LIFE  
INSURANCE COMPANY**



**Greensboro, North Carolina**  
Emry C. Green, President



## O'Connor Goes From Ohio Dep't to Union Central; Caris Ass't Superintendent

COLUMBUS—F. P. O'Connor, assistant superintendent of insurance for Ohio, has resigned to become field supervisor for Union Central Life and Albert G. Caris of Columbus has been appointed to succeed him.

Mr. O'Connor, who was for years in



F. P. O'CONNOR

the insurance business in Lima, has been assistant superintendent since Jan. 1, 1941. He will make his headquarters in Columbus and will be affiliated with the Columbus branch of Union Central, of which William E. McGrath is manager. As assistant superintendent, Mr. O'Connor had charge of the preparation and conducting of examinations of agents and solicitors and the enforcement of life insurance agency laws. Mr. O'Connor is a past president of the Ohio Association of Insurance Agents.

Mr. Caris has served as statistician in the department for the last two years, prior to which he was associated with Ralph W. Hoyer agency of John Hancock Mutual Life at Toledo and Columbus for 10 years. He served as president of Defiance College, Defiance, O., from 1917 to 1931.

He is a former president of the Ohio College Association and of the Conference of Presidents and Deans of Ohio Colleges. In addition to his new duties he will retain supervision of the statistical section, assisted by Roy D. Leis, who for several years has been an auditor in the department.

## Accountants' Mouths Are Made to Water

(CONTINUED FROM PAGE 3)

serted as the tape is fed through the card-punching machine at the receiving end.

Another use of the tape would be for storing a duplicate record of punch-card information. At the beginning of the United States' participation in the war, many companies located on the east and west coasts were much interested in finding some process of duplicating their punch-cards so that they could be stored at a place remote from possible bombing. If the tape system had been available at that time this would have been a very good solution to the problem, Mr. Hickey said.

Though it is still in the realm of possibility, Mr. Hickey outlined a plan to use an electrical typewriter which would type out the desired information and at the same time punch the information on the paper tape. The tape could then be used in transferring the information to punch cards or transmitting the data by wire to a distant point.

Another development which Mr.

## No Self-Insurance for County Employees' Annuities

LANSING, MICH.—Michigan counties may not, under existing statutes, set up self-insurance annuity funds for their employees, according to the attorney-general's office.

The Kent county prosecutor asked "whether or not the county can carry its own plan of annuities for its employees by appropriating and setting aside a certain amount of money each year for such a fund? Or must any annuity plan be carried with some insurance company?"

The opinion noted that the 1943 act legalizing annuity programs for county employees authorized county governments "to adopt and establish a plan whereby their respective counties shall purchase or participate in the cost of group retirement annuities for the employees of their respective counties. . . . The law further provides that "group annuity retirement benefits in excess of the amounts herein stipulated may be provided for by a plan of employee participation whereby the employees shall pay the total cost of such excess."

It is stressed in the opinion that "the phrase to 'purchase or participate in the cost of group retirement annuities,' when considered in connection with the language specifically authorizing annuities in excess of the maximum amounts otherwise fixed, if the total cost of the excess is paid by the employees, would appear quite clearly to have been intended to authorize 'the purchase' of group retirement annuities to provide the maximum amount of annuity benefits permitted at the cost of the county without employee participation or contribution to the cost, or to permit the cost to be shared by the county as employer and its several employees."

"I do not think," the opinion concludes, "it is subject to such an interpretation as would permit the county to appropriate moneys out of which it could obligate itself to pay annuities to its employees as the direct contracting party."

Hickey described and which is already in use in some insurance offices to a limited extent is what is called the "mark-sensing" principle. A mark made with a graphite pencil on the proper place on a card becomes the equivalent of punching it with a special machine, for when the card is passed through the mark-sensing device it punches a hole as indicated by the pencil mark. This makes it possible for anyone to add information or to change data on a card without having it go to a special punch-card operator. This in turn means decentralizing much of the work of punching cards.

## Other Developments Predicted

While the present standard I.B.M. tabulating machine uses an 80-column card Mr. Hickey said that this was by no means the necessary top limit and mentioned the possibility of having cards with anywhere up to 250 columns. Another development, and one which will be ready as soon as the war is over, will be the reproduction from a single card of three lines of printing, such as is necessary with addressing. It is now necessary to employ three cards, one for the name, another for the street, and a third for the city and state. He pointed out that I.B.M. is constantly studying the possibilities of not only speeding up operations but in reducing the number of operations so as to avoid extra work, also how to combine two or three operations so they can be done at one time.

## Holgar Johnson at Pittsburgh

President Holgar J. Johnson of the Institute of Life Insurance, visited Pittsburgh, his old stamping ground, this week. He had been at Milwaukee. He looked in at the annual meeting of the National Association of Insurance Agents at the William Penn Hotel.

## A Hundred Claims A Week Under Lapsed Policies...

Our field force maintains a constant vigil for death claims or matured endowments under lapsed policies with non-forfeiture values.

So effective is this effort that we are averaging more than a hundred settlements every week under policies which had been lapsed... and in most instances, the payee was not aware that they had any benefits due them.

This is only a part of our service to shield policyholders.

*The*  
**NATIONAL LIFE  
AND ACCIDENT  
Insurance Company, Inc.**



## NEWS OF LIFE ASSOCIATIONS

### Coolidge Speaks in Cincinnati

The key to a lasting enthusiasm for the life insurance business is to know a good sales presentation and use it effectively, R. B. Coolidge, superintendent of agencies Aetna Life, told the Cincinnati Life Underwriters Association. With the right kind of enthusiasm, most of the other problems take care of themselves. An agent who has a good sales presentation finds prospecting and time control not difficult because he almost automatically finds someone who will listen to him.

"Sales presentations usually are either completely mastered good ones or just poor ones, and there are only two objections to good standardized presentations. A standardized sales story may sound 'canned', but it need not, and the only other objection is that it is hard work." Ninety percent of the battle is in learning how to use the presentation no matter what happens.

#### Need to Disturb Prospect

All good sales presentations must be complete, concise, orderly and disturbing. They should show a picture of the prospect's family living on the proceeds of his life insurance. Mr. Coolidge stressed the necessity of the disturbing element in a good sales talk. Doctors just don't let people die because they are afraid to hurt them. The good life agent is the only successful practicing physician in a position to better, prevent and frequently cure the public's financial ills, Mr. Coolidge said.

He was introduced by W. T. Craig, general agent Aetna Life and immediate past president Cincinnati association. The new president, W. B. Hardy, New England Mutual, announced plans for the year, including a public relations program to build prestige for the agents.

Officers and the board started the association's blood donor service campaign among Cincinnati agencies by making their own blood donations. Mr. Hardy presented Miss C. L. McBreen, Equitable Society, a certificate honoring her life membership in the Women's Quarter Million Dollar Round Table. W. L. Wigginton, Metropolitan, Newport, Ky., was presented his C.L.U. certificate by E. F. Pierle, Provident Mutual, president Cincinnati C.L.U. chapter.

### Paducah, Ky., Congress to Hear Notables Nov. 19

Plans are complete for the sales congress to be held in Paducah, Ky., Nov. 18 sponsored by the Paducah Association of Life Underwriters. Headquarters will be the Irvin S. Cobb hotel.

Speakers include: Louis I. Petrol, industrial district manager John Hancock, Evansville, Ind.; W. H. Andrews, Jefferson Standard Life, Greensboro, and vice-president National Association of Life Underwriters, on "The Life Underwriter's Contribution to the War"; John Welburn Brown, general agent John Hancock, Louisville, on "Taxation Applied to Life Insurance Selling"; John A. Witherspoon, John Hancock, Nashville, Tenn., past president National association, on "What Makes Them Buy."

Cecil Draffen is president and will preside, assisted by W. D. Golightly, vice-president, and J. H. Norsworthy, secretary-treasurer.

### New N.A.L.U. Visitation Plan Starts in Kansas

In pursuance of the new visitation plan approved at the Pittsburgh convention, Herbert Hedges, new president of the N.A.L.U., and a group of trustees and other representatives of the National association will hold a meeting with representatives of all Kansas associa-

tions in Wichita Oct. 29 and will be guests at a special meeting of the Wichita association the next day. Arrangements are in the hands of Gil Glover, National Life & Accident, vice-president of the Kansas association.

The following week the National association representatives will visit all of the larger life associations in Kansas, including Dodge City, Manhattan, Salina, Hutchinson, Emporia and Topeka.

Mr. Hedges and other members of the group will be headliners at the southeast Kansas sales congress in Chanute, in which the Pittsburg, Coffeyville and Independence associations will participate.

### Hedges and Rutherford to Attend Peoria Congress

Herbert A. Hedges, the newly elected president of the National Association of Life Underwriters, is tentatively scheduled to address the sales congress sponsored by the Peoria, Ill., association Nov. 20. He also probably will attend the Illinois association midyear meeting and banquet the day before and the general agents and managers session.

President W. B. Buckley of the state association has just completed a swing around the state visiting the local associations in Joliet, Aurora, Elgin and Rockford and Centralia.

In addition to the regular business meeting at the mid-year gathering, President Buckley plans a special panel discussion of association problems and management, designed to make the local association officer more aware of his responsibilities and better able to meet them. James E. Rutherford, executive vice-president National association, has agreed to be chairman and local, state and national leaders will complete the panel. President Buckley said it is imperative each local association be represented at least by president and secretary, and any others who care to attend.

### Oakland-East Bay Changes

Henrik G. Wolter, general agent of Penn Mutual at Oakland, Cal., was elected vice-president of the Oakland-East Bay Life Underwriters Association to succeed Randall Hepler, manager of the life department of Newhouse & Sayre, who has transferred his activities to San Francisco. Arthur Hutchinson, New York Life, was elected secretary-treasurer to succeed Mr. Wolter.

### Missouri State Meeting

The mid-year meeting of the Missouri Association of Life Underwriters will be held at the Governor Hotel, Jefferson City, Mo., Nov. 12-13. The program will be sponsored by the Tri-City organization of Jefferson City, Columbia and Sedalia, collaborating with the state program committee headed by Adam Rosenthal of St. Louis, second vice-president. W. L. Coonrod of Springfield, Mo., is state president.

**Minneapolis**—L. W. S. Chapman of the Research Bureau spoke at the Oct. 13 luncheon meeting.

**Wichita**—Bert A. Hedges, Business Men's Assurance, reported on the Pittsburgh convention of the N.A.L.U., at which his brother, Herbert, was elevated to the presidency. John Carter, Metropolitan Life, outlined the plans of the educational committee, which he heads, and presented C.L.U. designations to William Brush, general agent of Fidelity Mutual, and Herbert P. Lindsley, educational director Farmers & Bankers Life.

**Pittsburg, Kan.**—A membership campaign has been launched in an effort to draw every eligible life man into the association by Jan. 1. Open meetings have been set for Oct. 22, Nov. 19 and Dec. 17, to which eligibles will be invited.

**Dallas**—John P. Costello, Southwestern Life, president Texas association, will speak Oct. 29.

**Baltimore**—John H. Jamison, manager

of field training of Northwestern Mutual Life, addressed a luncheon meeting.

**Springfield, Mass.**—William A. Arnold, II, Harrisburg general agent for Penn Mutual Life, addressed the luncheon meeting Wednesday.

**New Castle, Pa.**—Paul S. Mechling, Phoenix Mutual, Pittsburgh, spoke on "Priority Prospecting."

**Beaver Valley, Pa.**—"Life Insurance Inspections During Wartime" will be discussed by Wallace D. Weathers, Pittsburgh manager Retail Credit Company, Oct. 18.

**Davenport, Ia.**—Charles Kuttler, National of Vermont, national committee-man, discussed the National association convention in Pittsburgh.

**Los Angeles**—With 140 in attendance, the opening forum meeting heard reports of the N.A.L.U. convention in Pittsburgh by John R. Mage, Northwestern Mutual Life, president of the California Association; H. S. Parsons, Travelers, a convention speaker, and Ron Stever, Equitable Society, retiring chairman of the Million Dollar Round Table.

**Rock River (Sterling), Ill.**—The Institute of Life Insurance movie, "American Portrait," was exhibited at the first fall meeting.

**Rockford, Ill.**—Two meetings were held during the month. N. A. Buending, manager field office social security division, Rockford, spoke at one meeting and President W. B. Buckley of the Illinois association at a breakfast meeting.

**Galesburg, Ill.**—George H. Berry has been elected president. Vice-president is Florence M. McConnell; secretary, M. D. Pierson; treasurer, Doss Brittain. E. W. Lehen, field office manager federal security agency at Galesburg, discussed federal old age and survivor insurance benefits.

**Decatur, Ill.**—T. H. Armstrong, Decatur attorney, spoke at the first fall meeting on the Bridges bill and conducted a question and answer period on the measure.

**Freeport, Ill.**—W. C. North, agency director New York Life, spoke at the first fall meeting.

**Danville, Ill.**—William Kreml, president, outlined plans for the year at the first fall meeting. D. J. Twomey, secretary chamber of commerce, spoke.

**Aurora, Ill.**—President William B. Buckley of the Illinois association, manager of Metropolitan, Mount Vernon, spoke at the monthly meeting.

**Springfield, Ill.**—William B. Buckley, Illinois association president, and F. A. Schnell of Peoria, the immediate past president, were entertained at the first

fall meeting. Among the guests were Walter G. Meyers, the new agency supervisor of General American Life in Illinois, and three officials of the Illinois insurance department.

**La Salle County, Ill.**—Otto Hoffman, the new president, and other officers were inaugurated at the first fall meeting. Paul E. Larson was installed as secretary-treasurer, replacing James Henneberry, who was elected in June.

**San Antonio, Tex.**—Matthew Brown, San Antonio general agent of General American Life, discussed the importance of knowing the tax laws and rulings governing income from single premium policies. He stated that while 85% of the agents are not interested, the subject is of great importance to other insurance men. He suggested that the president appoint a committee to arrange for group meetings of those interested with tax law and tax accountant specialists to study and discuss the tax phases of this form.

**Austin, Tex.**—C. B. Callahan, Jr., vice-president of Western Reserve Life, appealed for volunteer workers in Boy Scout training in Austin. He said that the number of boys desiring scout training is far in excess of the ability of the available leaders to train and urged that life insurance men give some of their time to this service. Ted Thompson, Great National Life, presented the appeal of the War Chest for assistance. Harry Griffiths, manager of American National, was named chairman for the drive.

**Jackson, Tenn.**—William Cole, head of the local social security board, discussed the relative merits of social security and insurance.

**Detroit**—Max M. Fisher, assistant secretary Metropolitan Life and head of its field training division, spoke on "Our Part in a Big Job." He was introduced by J. E. McCann, Metropolitan manager. Plaques were presented to Miss Ruth M. Kelley, Connecticut Mutual, chairman of the association's women's division, and Miss Florence M. Lorf, Penn Mutual, both of whom qualified for the Women's Quarter Million Dollar Round Table.

**St. Louis**—Superintendent Scheuffer of Missouri will speak on "Pioneering" and John L. Bracken, president Reliable Life, on "The Saving Force of Life Insurance," at the noon meeting Oct. 21. Walter W. Head, president General American Life, will be toastmaster.

**Boston**—Fall meetings will open with a luncheon Oct. 21. Osborne Bethea, general agent of Penn Mutual Life in New York City, will speak on "The Human Side of Programming." M. Luther Buchanan, president of the American So-

## MUTUAL TRUST LIFE INSURANCE COMPANY

HOME OFFICE  
CHICAGO

FIELD BUILDING  
ILLINOIS

*"As Faithful as Old Faithful"*

SAME RATES — SAME DIVIDENDS AND SAME NET COST SINCE 1937

STILL 3% RESERVES — STILL 3% OPTIONS

60 Millions of Assets and Over 200 Millions of Insurance in Force Built Up in 38 Years by Successful General Agents Operating Under a Liberal General Agency System in 18 Healthful States — 9 in the East and 9 in the West.

Men Who Believe They Have General or District Agency Qualifications May Obtain Full Particulars by Addressing the Agency Department.

*Nothing Better in Life Insurance*



city of C.L.U., will award diplomas to C.L.U. graduates.

**Wilmington, N. C.**—A resolution was adopted endorsing the Bridges-Goodwin bill and urging North Carolina congressmen to support the measure. John P. Williams of the American College, and W. H. Andrews, Jr., vice-president of N.A.L.U., were elected honorary members.

**Ft. Wayne, Ind.**—At the first of a series of semi-monthly Saturday morning meetings, Fred Fisher, advertising director of Lincoln National Life, spoke on "Selling Life Insurance Under Wartime Conditions."

## IN U. S. WAR SERVICE

**Leo R. Porter**, Lincoln National general agent in Wichita, former president of both the Kansas and Wichita Life Underwriters Associations, is to report for service before the end of the month. For the past year he has been on leave of absence from Lincoln National as assistant state director of war bond sales.

**Joseph R. Holzapple**, agent of Connecticut Mutual Life at Peoria from 1937 to 1941, has been promoted from major to lieutenant colonel in the army. He has been awarded the distinguished flying cross for heroism in the North African theater of operations. Lt. Col. Holzapple has been placed in command of B-26 Marauder group, the oldest medium bomber group in the African theater. The DFC award was for Lt. Col. Holzapple's "superior leadership and calm efficiency" in leading a skip-bombing attack on enemy shipping during which two merchantmen were sunk and five enemy aircraft destroyed.

**E. L. Conners**, manager of Colonial Life at Paterson, N. J., since 1939, has reported for induction into the army at Camp Dix, N. J.

**Roy E. Keeling**, veteran of the first world war, former Galveston manager of Acacia Mutual Life and past president of the Galveston Association of Life Underwriters, has been promoted from major to lieutenant colonel and is now serving as an anti-aircraft officer at Camp Wallace.

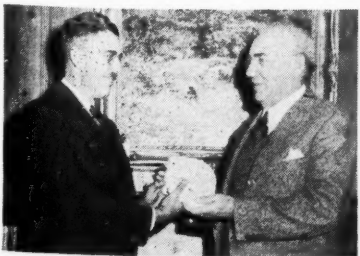
**Maj. Robert Maclellan**, head of the army insurance division, Washington, D. C., formerly vice-president of Provident Life & Accident, met his brother, Lt. Hugh O. Maclellan of the army air corps, in Chattanooga with their parents for the first time in 18 months.

**L. Nelson Lee**, examiner in the life insurance division of the Texas insurance department, Austin, has been inducted into the navy.

**William E. Rench**, of the St. Louis agency of National Life, was commissioned a lieutenant (j.g.) in the navy and has reported at Quonset Point, R. I.

**William S. Vogel**, Newark general agent of Columbian National Life, will give a dinner to his agency force and brokers Oct. 21 to launch a "Victory Trophy" campaign.

## Appleby Receives Birthday Greetings



President T. W. Appleby of Ohio National Life (right) is here receiving from Ray Hodges, superintendent of agents, a large batch of congratulatory cards accompanying business sold in his honor on birthday anniversary.

## Bridges Tells D. C. Group Purpose of His Tax Credit Bill

(CONTINUED FROM PAGE 1)

American system life insurance must continue to be basically and fundamentally a life line of dependency. The fear of economic insecurity has been inherent in mankind for generations. That fear of insecurity still persists. "Charity is a virtue for those who practice it, but bitter bread for those who have to receive it," he remarked.

Many persons, he remarked, have had no increases in income to meet increased costs of living as the result of the war. Great numbers are having serious difficulty in continuing their payments of life insurance premiums. It is essential to the progress and happiness of the people that life insurance be maintained. Life insurance is a form of wise savings. It is a form of wise investment for the average man who may not know anything about the science or practice of savings investments. The life insurance business does not run itself, he declared. A policy will not function in itself. Each year the assured must pay the premium if the insurance continues to exist. To that degree the individual is successfully providing against the insecurity of old age and for the protection of his loved ones.

In youth an insurance policy forms a basis for savings. When a man's obligations increase such a policy takes on the form of actual protection for his family. In the twilight years insurance continues in protective measure and provides the relief and security of its origin.

As an example, Senator Bridges said that aside from his home a small farm in New Hampshire, his life insurance represents most of his life's savings. He has three sons, one of whom is in armed service abroad, two of the sons are in public school. If anything should happen to him now, he said, his insurance gives him assurance that his sons will be protected until at least they are old enough to look out for themselves. Insurance, he said, has been his method of providing security for them, of assuring them an education, clothing, a home and the other necessities of life. This insurance, he said, gives him comfort day by day and it gives the same comfort to millions of other citizens.

The institution of life insurance is one of the stable, substantial facts of our civilization and in this time of confusion the people must cling to such elements of their existence.

The impact of the constantly increasing burden of taxation is going to be very great upon life insurance policyholders, he said. "We may be unable to prevent higher taxes but if we are sensible a ray of hope can be let into this dark jungle of taxes, visible and hidden. If the policyholders can be permitted to deduct their premium payments from their income taxes the impact of the burden will be cushioned very greatly."

Senator Bridges went on to say that the insurance system must be protected against inflation. The policyholders must be protected in their insurance investment.

The Bridges-Goodwin bill is primarily to support the American system of government in times of stress such as are bound to occur in the postwar period. Some may dismiss the dangers as imaginary, declaring that government insurance and social security will take care of the whole question. Senator Bridges said he believes in social security and government insurance in certain fields. The government plan of providing life insurance for those in the armed forces is important and should be encouraged. The Bridges-Goodwin bill, he said, will go far toward the end of safeguarding the future of the institution of life insurance in America. It will greatly minimize the danger that will press upon the institution after the war.

# WIDENED HORIZONS

WITH

## GUARDIAN GRAPH-ESTATE\*

For Stronger Closing Technique

For Greater Professional Prestige

For A Sales-Track to Run On

For Disclosing Specific Needs—

**GRAPH-ESTATE** is most certainly not for complete programming *only* . . . . . It is used daily for the prospect of limited income, for one whose house of protection is completely charted but lacking some one or two "bricks" in its construction, for the one who is not yet interested in a long-range program but will buy for a specific need.

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## THE GUARDIAN LIFE

INSURANCE COMPANY OF AMERICA

50 Union Square, New York City

A Mutual Company

Established 1860

GUARDIAN OF AMERICAN FAMILIES FOR 83 YEARS

## EDITORIAL COMMENT

### Mutual Life's Compensation Plan

The various aspects of Mutual Life's new compensation plan for agents have evoked widespread comment, but to those interested in the future of life insurance selling as a profession and in the elimination of the unfit agents there are two phases which are particularly noteworthy.

First, there is the fact that the career agent with a good quality and persistency of business can earn substantially more than under the usual 50% and nine 5s contract and still not push the company over the margins of the New York expense limitations. The agent who pays for \$250,000 a year for 30 years earns \$244,000 under the new contract as against \$197,000 under the 50% and nine 5s contract. This is an average of \$8,133 a year as against \$6,566. It amounts to an increase of 24% and the percentage difference between the new contract and the 50% and nine 5s basis is even more marked in the case of larger producers, assuming the same quality and persistency factors.

That all this is being accomplished within the limits of the New York expense limitation is of the first importance, for there have been grave doubts that it would be possible to do much better for the agents without increasing the cost to the public—a move which might well produce an unfortunate reaction. Mutual Life's plan of course contemplates that the good agent will be paid more because the poor agent will be paid a great deal less and in fact if he keeps on being a poor agent he automatically finds that he is not working for the Mutual Life any more.

There is no doubt that poor agents can produce a lot of business—if you have enough of them. Also, a company can obtain a lot of business if it looks at nothing except volume. By pitching its commission scale so as to favor the

able career agent producing a high quality of business in an efficient manner and pay the opposite type of agent only what he deserves on the basis of today's enlightened standards Mutual Life has resolutely turned its back on the type of business that looks easy and inexpensive but is anything but that in the long run.

The other highly important phase of the Mutual's program, it seems to us, is that as the agent becomes established in business the basis of his compensation depends less on new sales and more on business he has previously put into force. For example, an agent 20 years in the business, on the usual 50% and nine 5s basis, depends on new business for 60% of his income and on renewals for 40%. Under the Mutual Life plan this percentage for such an agent is exactly reversed, 40% of his income being due to new business and 60% to existing business, assuming a level rate of new business production in the past. The Mutual plan also satisfies the very natural desire of every one to earn more as he becomes more experienced and builds up a longer service record in his profession. The agent who reaches a certain level of annual production may find it is very difficult for him to increase this amount. Under the conventional plan he reaches a plateau in his 11th year in the business. The Mutual plan makes it possible for an agent to keep on increasing his earnings even though he produces the same volume of business year after year, provided he keeps up his record for quality and persistency.

Thus, the Mutual Life takes a long step in rewarding the worth while agent and discouraging the undesirable one—both of which results are in the interest of the life insurance business and the insuring public.

### Time of Intense Study

There is much intelligent and understanding thought being given today to proper compensation for life insurance salesmen in order that the industry may attract high grade people and in order that they may make enough money not only to enjoy the necessities but some of the luxuries, so that they can stand upright in their community and take a prominent part in activities, not hiding behind any posts or having their motives challenged.

More thought is being given to this subject today than ever before. There has been no system as yet devised that

meets with entire approval of the business. This is a time of discussion, of interchange of thought, of intent to devise a pattern that will fit the needs and demands of the times.

H. G. Kenagy, superintendent of agents of Mutual Benefit Life, as chairman of the Agency Section of the American Life Convention in presiding over a meeting of the former, made a suggestion that might be profitable. He believes that there should be a committee at each home office studying this question. The members should be composed of different executives in addition

to the agency head. Furthermore he believes that it would be highly desirable and valuable to call in some outsiders, such as the public relations man of some organization, an advertising executive, etc. That would give a company a view from a policyholder's standpoint.

Many of the agency leaders feel that back of the whole proposition must be a certain amount of time control and

probably that can only come through some plan of paying a living salary plus commission for later incentive. When a man is paid a salary then his time does not belong to himself but he is responsible directly to his superior. The whole question of agency compensation deserves the most profound thought of all interested in the subject. It has many angles and it is not a one sided proposition by any means.

## PERSONAL SIDE OF THE BUSINESS

**Jess G. Read** of Oklahoma, secretary of the National Association of Insurance Commissioners, after leaving the executive committee meeting in Chicago, tarried in St. Louis long enough to see the World Series baseball games there. Mr. Read was fervently rooting for the St. Louis team.

**A. E. D'Emilio**, Pittsburgh manager of Ohio State Life, met with an accident a few days ago in which a bone in his foot was broken.

The Newark, O., agency of Ohio State Life is putting on a campaign in honor of **S. C. Hanson**, who has been a member of the agency 36 years. He is the company's oldest agent in point of service.

**Martin S. Miller**, veteran agent of Mutual Life, Topeka, was honored on his 30th anniversary with the company by a special broadcast by Percy G. Gibson, Wichita, Kansas manager.

**John D. Morphy** has completed 50 years of continuous service with Berkshire Life. He joined the company Sept. 30, 1893, as general agent in Detroit and actively served the company in that capacity until April 23, 1943. For a number of years Mr. Morphy wrote insurance in excess of a million dollars a year. In honor of the anniversary Mr. Morphy was given special recognition by officers, directors and the general agents' association of the company.

President **Franklin D'Olier** of Prudential is chairman of the state-wide New Jersey war fund drive to raise \$5,000,000 for the various relief agencies at home and abroad, with the exception of the American Red Cross. The latter will stage its own drive later in the fall.

**George W. Stewart**, leading producer of the Kenneth W. Conrey agency of Penn Mutual Life in Pittsburgh, has just celebrated his 10th anniversary in life insurance. During those ten years he has twice been the company's nationwide leading producer, in 1937 and 1939. In 1934, his first full year in the business, he paid for almost \$500,000, in his fourth year passed the \$1,000,000 mark, and has written as high as \$2,000,000 a year. He is a qualifying and life member of the Million Dollar Round Table of the National Association of Life Underwriters and was one of the Million Dollar Round Table hour speakers at the Pittsburgh convention.

Before entering life insurance he was an automobile salesman and sales manager.

Corp. **William C. Bell**, Memphis, general agent for Minnesota Mutual, before entering the service, was recently married to Miss Martha E. Banks. He is stationed at Gulfport Field, Miss.

**Ben Boldish** of Duluth, member of

the White & Odell agency of Northwestern National Life, has completed 20 consecutive years of membership in the company's App-a-Week Club and was presented a prize check for \$200. He is the third member of the Northwestern National field force to pass the 20-year milestone.

**J. E. Acuff**, executive vice-president of Life & Casualty, has been elected director of David Liscomb College.

**Robert W. Boyles**, Dayton, former John Hancock agent, serving with Red Cross in Egypt, discovered in a native bookshop a copy of a John Hancock historical booklet entitled "Robert E. Lee". An imprint on the book indicated it had been owned by a John Hancock agent in Canton, O., 12 years ago.

**J. Edwin Larson**, Florida state treasurer and insurance commissioner, has been named a member of the centennial committee of the Florida Methodist Church.

**George Avery White**, president of State Mutual Life, addressed the Worcester Advertising Club on "Salesmanship."

**Clarence W. Van Beynum**, manager of publicity of Travelers, has been named vice-chairman of the Hartford Red Cross blood donor service committee. He has been active in publicizing the blood donor service and is himself a regular blood donor. Mr. Van Beynum's interest in this phase of Red Cross work is further emphasized by the fact that he has two sons in military service overseas: Robert H., as a captain attached to a bomber squadron in England, and William J., as a lieutenant serving with the army medical corps in the far east. Both C. W. Van Beynum and Capt. R. H. Van Beynum were formerly on THE NATIONAL UNDERWRITER'S editorial staff.

## DEATHS

### Head of Massachusetts Protective Group Dies

**William C. Johnson**, 67, vice-president, actuary and director and the real guiding force back of Massachusetts Protective, Massachusetts Protective Life and Paul Revere Life, Worcester, Mass., died in New York City. He was born at Sag Harbor, N. Y., and became general agent of Phoenix Mutual Life in New York City, serving from 1901 to 1910. He was vice-president and general manager of Columbian National Life, 1911-1915, and inspector of agencies of Equitable Society from 1915 to



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1918, when he became vice-president and actuary of Massachusetts Protective.

In the Hughes investigation in New York in 1905, Mr. Johnson represented a number of insurance groups at the hearings, and participated in the preparation of the reform insurance laws adopted as a result.

He was one of the pioneers in the use of the non-medical plan in connection with life insurance and one of the most active and aggressive proponents of non-cancellable accident and health insurance.

**Gilbert Samuelson**, 68, agent of Connecticut Mutual Life in the Charles J. Zimmerman Agency, Chicago, died there. He would have celebrated his 30th anniversary with the company this month.

**Mrs. Rose B. Krohngold**, agent of Lincoln National Life at Cleveland, died there. She joined the Seth A. Bardwell & Associates agency in 1930, and has been a leading producer of the company since. She was a charter and life member of the Women's Quarter Million Dollar Round Table of the National Association of Life Underwriters, and served as vice-president and president of the Cleveland Women's Life Underwriters Association.

**Otis A. Danneman**, former John Hancock agent of the Staten Island, N. Y., district, was killed in action in Sicily. He was a captain who entered the army in November, 1941, commissioned in infantry reserve and later transferred to parachute troops.

**Basil S. Walsh**, president of Home Life of Philadelphia, died at his home in Bala, Pa., after a brief illness. He was a son of the late Daniel J. Walsh, pioneer insurance man of Philadelphia, who founded the well-known brokerage firm of Daniel J. Walsh's Sons in 1880. Basil Walsh was born in Philadelphia June 3, 1878. After graduating from high school he entered the insurance brokerage business and upon his father's death in 1895, assumed charge of the firm. The agency has grown under his supervision to one of the city's leading general agencies.

In 1910 Mr. Walsh was elected a director of Home Life and two years later became president at the age of 34. Home Life under his administration has had a great growth and has become a strong, progressive, well-established institution.

Mr. Walsh also was prominent in Philadelphia mercantile, fraternal and financial circles. He was president and director of the Mutual Guarantee Building & Loan Association, Home Protective Company, Urbaine Corporation, City Investment Company; vice-president and treasurer Glen Willow Ice Manufacturing Company, and treasurer Daniel J. Walsh's Sons. He is survived by his wife, two sons, Daniel J. and William D., and a daughter, Margaret May. Services were held at his residence Wednesday, followed by requiem mass at St. Matthias' Church, Bala-Cynwyd, Pa.

F. J. O'Brien, director of sales promotion of Franklin Life, is bereaved owing to the death at Springfield, Ill., of his father, **Charles J. O'Brien**. The senior O'Brien died suddenly from shock following a fall when his left arm was broken. F. J. O'Brien is at present a patient in St. John's Hospital at Springfield.

#### Royer Agency's 85% Gain

A paid business increase of 85% in the first eight months this year is reported by Henry Royer, Chicago general agent of Ohio National Life, for his agency, compared to the corresponding period of 1942.

William Bassett of the agency is first in number of applications in the company, closely followed by Dennis Organ. The agency is second in paid production in the company for the year. In the October drive honoring the birthday of President T. W. Appleby, the Royer agency expects to have its best month of the year.



"WILL YOU BE MY BENEFICIARY?"

## LIFE SALES MEETINGS

### American National Holds Conference in Minneapolis

Agents of American National in Minnesota attended a one-day sales conference in Minneapolis this week. R. W. Schweiger, state manager, was host. Guest of honor was G. S. McCarter, vice-president and superintendent of agencies. There were 35 in attendance. Mr. McCarter was the principal speaker. Others were A. M. Sheldon, Minneapolis, manager life department of Marsh & McLennan, a member of the Million Dollar Round Table and Carl Nolte, Detroit, the company's Michigan manager. Minnesota agents are celebrating "McCarter month" in October.

In his talk Mr. McCarter urged the

agents to take full responsibility for their place in the life insurance business. He lauded Manager Schweiger for his outstanding work in building his organization in the state. He expressed full confidence in the future of life insurance in the United States. He closed by presenting a plaque to Mr. Schweiger for having exceeded his 1942 premium quota and stated that both Mr. Schweiger and Mr. Nolte already had exceeded their 1943 premium quotas this year.

### Launch Dern Month in Utah

Agents of Lincoln National attended a "pep breakfast" in Salt Lake City with General Agent T. B. Isaacson as host, preparatory to a campaign in honor of Executive Vice-president A. L. Dern, to

be known as "Dern Month." Mr. Dern is scheduled to address a big meeting there Oct. 21, which will be attended by agents from Utah, Idaho and Nevada.

### Security Mutual, Neb., Has Regional in Lincoln

Twenty-five agents attended the Nebraska sectional meeting of the annual agency convention of Security Mutual Life of Nebraska. Because of the difficulties of traveling and rationing restrictions, the company cancelled its usual agency convention, and is holding regional meetings at Lincoln, Minneapolis, Denver and Wichita.

It was reported to the agents that for the first nine months business increased 47% over 1942, and for September the increase was 55%. Jack von Gillern, president of the state association, presided.

Today's best prospects were declared by the agents to be women and children. The company has been writing many women who have entered industry, and sending out literature regarding juvenile insurance with each premium receipt has resulted in many inquiries and sales. An unusual feature of sales to farmers is the number of buyers who discount their premium payments over the entire period. This, in turn, has presented to the company the problem of investment at prevailing interest rates.

Agency financing has greatly improved, only about half the usual amount being required to keep men in the field.

### Connecticut General Men to Meet in Chicago

Managers in the western division of Connecticut General Life will hold a regional business conference in Chicago Oct. 25-27. Vice-president F. H. Haviland will preside and speak. Several other home office men are expected to attend.

Group superintendents also will attend the Chicago meeting and group insurance will take an important place on the program.

### Beneficial's Leaders Meet

A joint meeting of Beneficial Life's Millionaire Club and out-of-town agents was held in Salt Lake City, with George J. Cannon, executive vice-president, presiding, and Frank Mozley in charge of the program. Other company

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ASSETS, 221 MILLION DOLLARS

## INSURANCE COMPANY

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TORONTO, CANADA  
Established 1887

officials in attendance included Secretary V. H. Smith, Dr. W. R. Calderwood, medical director, and H. J. Syphus, superintendent of agents. Mr. Mozley reviewed the Pittsburgh convention of the N.A.L.U. Mahonri Thomson was inducted into the millionaire club, and quarter millionaire club pins were awarded to C. P. Hilton and J. N. Milligan, general agents in Denver and Tacoma, Wash., respectively.

#### Ohio State Has Agency Meetings

Agency meetings of Ohio State Life are being held this week in Detroit, Toledo, Cleveland and Akron, with President Claris Adams and Frank L. Barnes, vice-president and agency director, in attendance. The field force of the company is putting on a campaign in honor of Mr. Adams, which will close Oct. 31. The Cleveland agency is now in the lead for the President's Trophy.

#### Prudential Has Coast Conference

Pacific Coast managers of ordinary agencies of Prudential attended a two-day conference in San Francisco with home office executives. The sessions were devoted principally to discussions of personnel, present and new; agency organization methods; educational and training plans. Those in attendance from the home office were: Sayre MacLeod, assistant secretary in charge of ordinary agencies; W. Jackson Letts, supervisor in charge of western agencies, and Vere F. Pennell, regional group manager, Chicago.

Managers in attendance included Clifford Henderson and A. C. Williamson, San Francisco; Herrick C. Brown, Oakland; Austin Thayer, Seattle; Horace J. Merkle, Portland; Jack White and Walter S. Payne, Los Angeles; T. A. Gallagher, acting manager in San Diego, and John W. Lawrence, Salt Lake City.

## COMPANIES

### Postal Union Sale Completed

LOS ANGELES—Purchase of the controlling interest in Postal Union Life by Mayor H. McKinley from the estate of the late W. P. Malone has been completed, all the preliminary legal forms having been concluded.

Mr. McKinley is the head of the Utter-McKinley Mortuary in Los Angeles.

No official announcement of the future plans has been made. It is understood, however, that a funeral benefit policy will be issued in addition to the present contracts.

### Gains Are Reported by Connecticut Mutual

Connecticut Mutual Life has completed the third quarter of the year with a 9.8% increase in sales over the corresponding period of 1942. Sales for the first nine months were \$80,123,976, a gain of \$7,171,356 for the period.

The September business ran 12.4% ahead of September last year, the production amounting to \$7,305,323.

Insurance in force in the Connecticut Mutual has hit a new high and now stands at \$1,212,785,392, an increase of \$46,611,707 since Jan. 1.

### Paul Nelson Now in Charge of Western Department

Mutual Trust Life has appointed Paul F. Nelson manager of the western department at the head office, which includes Ohio, Michigan, Indiana, Illinois, Iowa, Wisconsin, Minnesota, North Dakota and Washington. He will have charge of all agency activities in this territory. He went with the company in 1929, starting in the underwriting department. He became a field supervisor for downstate Illinois in 1939, manager of the

northwest department comprising Minnesota and North Dakota in 1941.

He will be assisted by Stacy B. Merchant, who became associated with the Mutual Trust in 1936 in charge of agency work in downstate Illinois with headquarters in Bloomington. On Jan. 1, 1939, he was called to the home office and placed in charge of Iowa and Nebraska. On Mr. Nelson's appointment as manager of the northwest department downstate Illinois was added to his territory.

#### Berkshire Employees' Bond Drive

In Berkshire Life's participation in the third war loan drive 95 employees, divided into 11 teams under Leland C. Talbot, Berkshire's Treasury representative, and John S. Winings, agency secretary, recorded 1247 individual sales for \$338,696 in cash. Lawrence R. Kimple of the actuarial department had 94 sales for \$6,002 in cash.

#### New S. D. Company Licensed

The South Dakota insurance department has issued a license to a new company, Western Mutual Life & Accident of Belle Fourche, S. D.

#### Honoring President Sears

Columbian National agents in the last quarter year are taking part in a victory campaign honoring President Francis P. Sears. There will be a victory trophy for the winning agency in each of the company's two agency groups and presentation banquets will be given the winning agencies. The two general agents whose agencies win the victory trophies will be invited to serve as members of a special agency advisory committee in 1944. This committee's duties will be to formulate ideas and plans to promote closer cooperation between the home office and field representatives and to stimulate suggestions for general progress.

## LIFE AGENCY CHANGES

### Abrams Cincinnati General Agent of Occidental Life

Occidental Life of California has appointed Max Abrams general agent in Cincinnati, succeeding Isaacs & Bernstein who will continue representing Occidental as a district agency through the Abrams office at 3720 Carew Tower.

Mr. Abrams joined the company in 1937 and has since done an outstanding job both in personal production and as life manager for Isaacs & Bernstein. He is a native of Cincinnati and graduated from Ohio State University with a degree in business administration. For six years he was in the sales department of Globe-Wernicke, resigning as Dayton manager to go with Metropolitan Life in Cincinnati. He joined the Isaacs & Bernstein agency in 1936 and Occidental in 1937 when that firm became its Cincinnati general agent.

He has set a record for both quantity and quality business. He has qualified for Los Conquistadores Club each year since joining Occidental and in 1939 was its vice-president. That year he also became a member of its Leading Producers Club, which requires personal paid premium production of more than \$12,000 per year. He has enjoyed as high as 100% second year persistency on a large volume of exposed business.

Frank Krauss has been appointed superintendent of Washington National in Englewood, N. J., succeeding John Ravaschia, who has entered service. He will work under W. O. Barnes, manager in Newark.

### Glasser Continental Assurance General Agent in Chicago

Joshua B. Glasser, who has been agency supervisor of the Lustgarten agency of Equitable Society, has been appointed general agent of Continental Assurance, and is opening an office at 100 South La Salle street.

In business since the close of the last war, Mr. Glasser has a 24-year record of successful sales work. Born in Ireland, he came to America in 1919 and after service as

a sales executive in other fields he entered life insurance with the Lustgarten agency in 1933. He has become a recognized authority on all forms of employer-employee coverages, particularly the various forms of group insurance and pension plans and has been a consistent leading producer of this class of business.

In 1939 Mr. Glasser led Equitable's group millionaire contest, taking first place nation-wide in production of group insurance, and was elected president of its Group Millionaire Club the following year. During his term of office the company enjoyed the largest group year in its history, with both production and club membership expanded to record totals.

Mr. Glasser is well known in general business and insurance circles through-

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out the midwest. In addition to his insurance affiliation, he is an active director of the Lincoln Printing Company, with which he was formerly associated as sales executive.

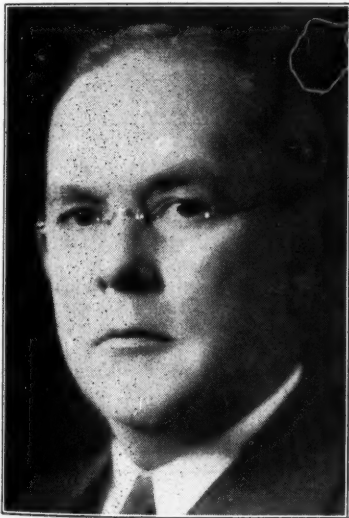
## Erbe Is Houston General Agent for Lincoln National

Welcome J. Erbe has been appointed general agent of Lincoln National Life in Houston. Mr. Erbe has been in life insurance for the past 16 years. In 1927, he left a position as athletic coach to enter the business as an agent for Equitable Society. He was a consistent producer and won regular membership in his company's personal production clubs. In 1930 he was promoted to district manager in New Mexico and devoted his attention to both managerial work and personal production. He has been a resident of Texas since 1939 and recently has been located in Tyler, Tex.

Mr. Erbe is a past president of the New Mexico Life Underwriters Association and is at present executive vice-president of the East Texas association.

## J. Elliott Hall in Orlando, Fla.

J. Elliott Hall is now located in Orlando, Fla., as regional superintendent for Penn Mutual Life. His office is in the Florida Bank building, and he has supervision over a six-state area. Start-



J. ELLIOTT HALL

ing in life insurance in 1902, Mr. Hall built up a rich background of more than four decades of experience in the business, gaining a national reputation based on his leadership as a general agent in New York and later in Newark. As a master salesman he has been particularly notable for his enthusiasm for income insurance and for his skill as an inspirational speaker on selling. He joined Penn Mutual in 1921 and resigned his management work in 1934 to devote more time to personal production, but returned to managerial duties in 1937.

## Morris Largeman of Mutual Life Retires

Morris Largeman, Brooklyn manager of Mutual Life of New York since 1930 and former president of its National Field Club, has retired after 34 years service. He joined Mutual Life in 1909 and five years later qualified for one of the leading production clubs. From 1915 to 1929 his record of new business earned him consistent membership in the National Field Club, and in addition to the presidency in 1928 he was named vice-presi-

dent for the Middle Atlantic Division in 1927.

Since 1930, when he was appointed manager, Mr. Largeman has devoted his time to supervisory activities. He will now resume active field work.

## Selby Branch Manager of Home, N. Y., in Atlanta

Robert Selby, home office agency field assistant of Home Life of New York, has been appointed branch manager of the Atlanta agency. He succeeds George H. McWhirter, who will become associate branch manager and will enter the field to devote his time to his personal clientele.

Mr. Selby's entire insurance experience has been with Home Life. He started in 1929 after operating a retail store in Mississippi. He earned membership in the President's Club, and four years ago was appointed supervisor in Jackson, Miss. This agency in 1940 won the President's cup, annual award for most outstanding record of agency building.

Mr. Selby was transferred to the home office in June, 1942, for further management training, and as agency field assistant assisted general agents throughout the country in recruiting, training and directing agents.



Robert Selby

## Boston Mutual Life Shifts

Morris L. Goldman, assistant superintendent of the Worcester branch of Boston Mutual Life in Worcester, Mass., has been named manager of the Fitchburg branch. He was presented a brief case and wallet by employees of the Worcester office.

Bernard J. McCormack, who has been manager in Fitchburg, goes to Worcester as manager.

## Trombla Named by McLaurin

L. J. Trombla, for the past 12 years a personal producer in Detroit, has been named supervisor of the H. J. McLaurin agency of Aetna Life in Detroit.

## Grant Is Meriden Manager

Charles T. Grant, a native of New England and a graduate of Massachusetts Institute of Technology, has been appointed manager of Metropolitan Life in Meriden, Conn. He served for five years in the field training division, first as an instructor and later as a supervisor. He succeeds George A. Tierney, who has retired from active service. His office serves policyholders in Meriden, Wallingford and Yalesville, Conn.

## Alliance Life General Agent

William F. Griffin has been appointed by Alliance Life as general agent for Lake and Porter counties, Ind. His office is at 522 Broadway, Gary. Mr. Griffin, who is a director of the Life Underwriters Association of Gary, has been in life insurance six years.

## Alliance Life Names Idalski

Walter H. Idalski of Alpena, Mich., is representing Alliance Life in the Alpena territory. Mr. Idalski has been in another business in Alpena, but has now disposed of it to assume a contract as Alliance Life's general agent.

## Thomason San Antonio Manager

T. D. Thomason of San Francisco has been appointed San Antonio manager of West Coast Life, with offices in the Alamo National Bank building. A native of Tennessee, he began his insurance work in Texas and served as agency supervisor and branch manager of Jefferson Standard Life in Dallas,

Denver and Memphis. In 1928, he became manager of Northern Life of Seattle in San Francisco and has been in life insurance work there since that time.

## Fonz to Assist Arnold

Howard D. Fonz has been appointed assistant to the general agent in Penn Mutual Life's W. A. Arnold, II, agency at Harrisburg, Pa.

A graduate of Penn State College, he was seven years in the company's home office agency apartment. The past seven years he has been cashier and then assistant to the general agent in Hurd J. Crain agency of Penn Mutual in Atlanta.

H. Q. Lowe, formerly with Travelers in Indianapolis, will manage a new life, accident and group department opened by the Interstate-Greene & Greene agency, Evansville, Ind.

## NEW YORK

### DUNSMORE RALLY AT RYE

The annual educational conference of the W. J. Dunsmore agency of Equitable Society in New York City was held at Rye, N. Y. Speakers included A. B. Dalager, 2nd vice-president; C. L. Lundgren, in charge of the pension trust department at the home office; H. R. Coursen, S. T. Peckham, and H. E. Wersing, assistant managers; W. H. Latshaw, brokerage supervisor, and C. E. Muchmore. H. Edward Brown, one of the oldest representatives of the agency, observed his 70th anniversary the day of the meeting. Mr. Dunsmore presided.

### PEARSON TO N. Y. J. OF C.

Carl O. Pearson, for the past two and a half years eastern insurance editor of the Chicago "Journal of Commerce," with headquarters at New York, is joining the insurance staff of the "Journal of Commerce" of New York. Mr. Pearson has had 10 years of newspaper experience and has been handling insurance news for about five years. He is familiar with the business and has a wide acquaintance among insurance men both in New York and Chicago.

### INSURANCE WOMEN MEET

Members of the League of Life Insurance Women heard three guest speakers at their opening meeting of the season. The speakers were S. S. Wolfson, gen-

eral agent Berkshire Life, president of the Midtown Managers' Association of New York City; W. J. Dunsmore, manager Equitable Society and president New York City Life Managers Association, and D. H. Ward, Union Central, president New York City Life Underwriters Association.

## MANAGERS

### Connolly President of Des Moines General Agents

DES MOINES—Edmund P. Connolly, general agent for Penn Mutual Life, was elected president of the General Agents & Managers Club at the an-



E. P. CONNOLLY

nual meeting. He succeeds Thomas B. Read, manager Mutual Life of New York. Frank McCormick, general agent Equitable of Iowa, was named vice-president, and Roy W. Secor, general agent of Washington National, spoke on the selection of agents.

Martin L. Seltzer, general agent of Kansas City Life, arrived at the meeting, which was held on the outskirts of town, on one of his riding horses, parked the horse at the club house, and rode it home afterwards.

### Tips Given for Speeding Up Issuance of Policies

NEW YORK—Suggestions on how agents may assist inspectors in getting policies speedily issued despite war problems were given the New York Life Supervisors Association by Kenneth Ake, manager of the local office of the Retail Credit Company. Mr. Ake gave some tips on special situations regard-

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ing women workers. For example, a woman may be employed under her maiden name and her employer does not know she is married. If the application were made under her married name, it would take additional time to check and might result in dismissal if the employer were opposed to the employment of married women and discovered the applicant was married.

It is helpful to identify the man with whom the woman is associated, such as her husband or father, Mr. Ake said. The name of the department head is valuable in war industries. Previous addresses and employment of newcomers and references are useful.

Since inspectors are assigned a specific territory, there may be four or more working on one case, depending upon the previous addresses. Mr. Ake told how the Retail Credit Company got into life insurance inspections and described the qualifications required and training given its inspectors.

W. H. King, New England Mutual, is chairman of the committee in charge of program arrangements.

#### Governor Is Richmond Speaker

Governor Darden of Virginia spoke at the October meeting of the Life Agency Managers of Richmond. He praised the work they have been doing for the Richmond Office of Procurement to obtain highly trained personnel for special service as commissioned officers.

#### Crane Speaks in Pittsburgh

Ernest A. Crane, general agent of Northwestern Mutual Life at Indianapolis, newly-elected trustee of the National Association of Life Underwriters, spoke at the October meeting of the Agencies Committee of Pittsburgh on "A Few Tools I Have Found Effective," longer will be issued at ages under 20.

He discussed manpower shortages and other problems of management under war conditions. In Mr. Crane's own agency he has suffered a greater than average loss of producers because for several years he has been building his staff with young men just out of college. In part this loss has been met by reengaging men who had retired from active business. These men have done well, Mr. Crane reports, and in one instance a re-established producer has been put in charge of one of the company's offices out in the state. His agency is showing a substantial gain over a year ago.

#### Milwaukee Cashiers Hear Unke

Harry Unke, Northwestern Mutual Life, vice-president of the Life Insurance Cashiers Association of Milwaukee, spoke on "Functions of an Executive" at the monthly meeting. Arrangements were in charge of Eleanor Waigle, Great Northern Life. The group is experimenting with a 6 o'clock meeting hour, instead of 8 p.m. as formerly.

The Life Agency Cashiers Association of Toledo held a social meeting in the rooms of Penn Mutual Life with Miss Rose Brandenberger as hostess.

#### Burwell Leaves Mich. State Post for Law Practice

LANSING—Seth R. Burwell, head of the life and fraternal division of the Michigan department for the past two years and an employee of the department for some 11 years, is resigning. He is to become a partner of L. Frayne Richardson, who formerly was with the state public service commission. Mr. Burwell will specialize in various phases of insurance law. Their office is to be in the Olds Tower here.

Mr. Burwell was for a number of years head of the licensing division and was consultant on legal matters pertaining to all divisions during several commissioners' regimes.

## NEWS ABOUT LIFE POLICIES

### New Conversion Privilege Offered by Manhattan Life

Manhattan Life announces that beginning Oct. 1, every ordinary life policy will include a provision whereby, on payment of additional single premiums when and as convenient from the second to the 15th policy year, all or part of the face of the policy in units of \$100 up to a total of \$10,000, may be converted without medical examination to a like amount of paid-up whole life insurance. Any part of the original policy not converted will be continued with the premium proportionately reduced.

No increase of premium rate is involved. The improved ordinary life policy becomes an adjustable plan providing protection now without over heavy fixed obligations, and flexibility for the future if conditions change. The improved ordinary life policy retains all the basic features of ordinary life but if a policyholder's income increases, if he acquires extra money through maturity of war bonds, etc., he can, with this money, change parts of the improved ordinary life policy into participating, fully paid up life insurance or old age income, without medical examination.

The single premium required to convert \$100 ordinary life to \$100 of participating paid-up whole life, age 35 at issue, for policy years 2 to 15, inclusive, are: \$46.14, \$45.58, \$45.02, \$44.44, \$43.85, \$43.23, \$42.60, \$41.96, \$41.29, \$40.61, \$39.92, \$39.20, \$38.48, \$37.74.

The Manhattan Life announces a new automatic settlement option. It is provided as a safeguard to the beneficiary during a period after the death of assured, relieving her of the necessity of a prompt decision at a time when she is upset, removing the too frequent possibility of hasty and unwise investments, but in no way hindering her from making and carrying out a decision when she is ready.

Whenever the request is made for extension of time to exercise optional modes of settlement, the company will consider the proceeds as automatically left under interest option for one year in which the beneficiary may withdraw all or any part of the proceeds as desired, or can elect to apply the proceeds under any of the various settlement options.

### Prudential Changes Are Outlined

Changes announced by Prudential in industrial and intermediate departments, effective Oct. 11 are:

#### Industrial

A new life paid-up at 65 policy will be issued ages 1 to 44, inclusive, on the 5 cent unit basis. This policy also will be issued for an even \$500 of insurance at ages 10 to 44, inclusive. The present life paid-up at 70 policy no longer will be issued at ages under 20. The life paid-up at 70 policy hereafter will be issued at ages 20 to 60, inclusive, on both the 5-cent unit basis and for an even \$500 of insurance. (The special 20-cent infantile life paid-up at 70 policy issued in New York State hereafter will be issued on the life paid-up at 65 plan.)

The present life policy issued at ages 61 to 70, inclusive (requiring premiums for 10 years), will continue to be issued on a 10-cent unit basis with a minimum premium of 10 cents. This policy also will be issued for an even \$500 of insurance.

#### Intermediate

A new life paid-up at 65 policy will be issued at ages 0 to 44, inclusive. The present whole life policy will be con-

tinued at all ages now written. A new double protection to 65 policy will be issued at ages 10 to 45, inclusive. This policy which is issued at regular rates, is a combination of life paid-up at 65 and term to 65 and will provide insurance protection prior to the policy anniversary nearest the insured's 65th birthday of twice the amount provided thereafter. At the policy anniversary nearest the insured's 65th birthday the policy will be fully paid-up for one-half the initial amount. The maximum initial amount will be \$1,600.

The 20-year endowment policy which is now written at ages 0 to 9, inclusive, for an ultimate amount of \$250, hereafter may be written for an ultimate amount of either \$250 or \$500.

The maximum amount of intermediate issued on any one life has been raised from \$2,000 to \$2,100.

### Dividend Increase of 5½% for Conn. Mutual

Connecticut Mutual Life has announced that preliminary computations for its 1944 dividends have been authorized by the board of directors on a basis which will result in an increase, in the aggregate, of 5½% as compared with the continuation of the present scale. Because of the incidence of mortality savings the increases occur mostly at ages below 40, adjustments above that age being slight.

No changes are contemplated in 1944 in the rates of interest allowed in connection with optional settlements and dividends left to accumulate. They will remain at 3½% under optional settlement contracts and 3¼% on dividends left to accumulate.

## COAST

### California Federation Holds Manpower Parley

SAN FRANCISCO—To hear the report of the special committee of the California Insurance Federation which, under the chairmanship of Charles C. Hannah, vice-president Fireman's Fund, has been keeping in touch with all phases of the manpower situation in the bay area, a special meeting of the federation was held here. In the absence of President Francis V. Keesling, president West Coast Life, Joy Lichtenstein, vice-president Hartford companies and vice-president of the federation, presided.

A resolution continuing the committee in force and commending it for its efforts was introduced by Arthur M. Brown of Edward Brown & Sons, following presentation of a comprehensive report by Mr. Hannah summarizing the committee's activities since its appointment last May. Mr. Hannah outlined the plan of the San Francisco manpower mobilization committee, urging cooperation and completion of forms prepared by that committee. Mr. Hannah made it clear that while uniformity is desirable there is no desire on the part of his committee to influence any office in arriving at a decision as to how it might operate most efficiently.

Other members of the special committee are: Charles Seeley, Rathbone, King & Seeley; W. W. Gilmore, London & Lancashire; Henry E. North, Metropolitan Life; R. L. Rowley, Johnson & Higgins; and J. G. Weber, Travelers.

### Insurance Attorneys Organize

LOS ANGELES—The Los Angeles Bar Association has formed an insurance

### The Columbian National Life Insurance Co. Boston, Massachusetts

#### LOW COST LIFE . . .

An unusual Ordinary Life Plan issued only by the Columbian National.

A good policy for its owner—guaranteed 20 year net cost per \$1,000, age 35—\$3.17. A good policy for the Fieldman—Unusual Options—high Values—liberal Privileges.

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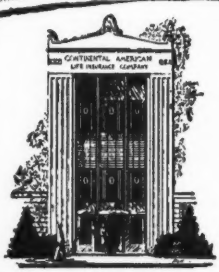
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Max S. Bell, Agency Vice President



section, with Joe Crider, Jr., Crider, Runkle & Tilson, as chairman and Henry Duque, Walker, Adams & Duque, vice-chairman, and Grant B. Cooper, chief assistant insurance commissioner, as secretary-treasurer.

The new section is patterned after the A.B.A. insurance section and its work will be of a similar nature. It is expected the new section will develop innovations which will deal with local problems and which will be of greater interest and benefit to the local members of the bar.

## FRATERNALS

### Juvenile Problem Not Yet Solved

The legal reserve fraternal societies are much more alive to the necessity of building up their junior membership, it became apparent in the reports and discussions at the business conference of the National Fraternal Congress held in Cleveland. Interesting comments on this problem were given by S. A. Oscar, National Mutual Benefit, Madison, Wis., chairman of the committee on junior membership, in his report.

The committee sent questionnaires to member societies and received replies from 46 or approximately one-half. He said the range in answers was at such a variance that it may be assumed many societies do not have accurate statistics on the subject. Practically all reported juvenile work is handled by the regular adult field force. Of societies reporting and issuing juvenile term, some combined the junior and adult policy while others issue a new adult policy at the end of the term.

#### Presents Some Figures

The average age at which juniors are written on the term plan is about four years. Approximately 5% reach the age for adult insurance each year. He reported juvenile members Jan. 1, 1943, totaled 1,107,290, or a ratio of about one junior for every six adult members. Mr. Oscar noted there are probably 10,000,000 children of fraternal society members below age 18 and thus the record of the societies in bringing the juniors in is not impressive.

Out of about 1,100,000 juniors, about 55,000 reach the age for adult insurance each year and of these about 38,000 are carried over on the adult insurance basis.

Mr. Oscar said of the net increase in the N.F.C. member societies' adult membership last year, junior entrants or junior transfers accounted for one-half.

#### Draws Four Conclusions

The committee gave several conclusions: (1) Juvenile field work for too long has been merely incidental to the regular adult field work, and if headway is to be made in this field a leaf should be taken from the experience of industrial companies. This work, promoted as it should be, is costly but eventually pays. (2) In selling children the societies should write regular insurance whenever and wherever they can, if it is the juvenile term, sell the parents the adult policy the youngster is entitled to have at the end of the term. The term is the easy step that insures the youngster permanent insurance.

(3) No society can afford to write this insurance on the monthly payment plan. Statistics show that close to one-half of the first year business so written is off the books at the end of the year. Many societies now collect annually which reduces exposure to lapse from 12 times to once a year, simplifies it and reduces

conservation work and follow up of delinquents by home office and field workers and tremendously reduces the work of local secretaries.

"(4) Finally, is there any good reason now why we should continue to maintain two departments in our societies?" the committee asked. "Why should we any longer have a juvenile and adult department, why not just one? We are referring of course to new business. There was a reason for the separation when we started, namely inadequacy. That reason no longer exists."

"The adult societies' assets above reserves are unquestionably pledged to carry junior contracts. Why not then write all of our business in the adult department? Some societies are doing it now. What would it mean? Simplifying statistics, one bond contract, one real estate mortgage account and one annual statement. We may not be able to merge the junior business now on the books because there are problems. It can come later. In the light of our experience and considering the advantage to be gained it seems a logical step. It may require permission or legislation. If so, let's have it."

#### Pickard Named Trustee

S. N. Pickard, president National Manufacturers Bank, Neenah, Wis., has been elected a trustee of Equitable Reserve to fill the vacancy caused by the death of J. Earle Brown, Lansing, Mich. He is a member of the society's finance committee.

O. B. Haroldson of Lutheran Brotherhood has been awarded the Fraternal Counsellor degree by the Fraternal Field Managers Association.

## RECORDS

**Jefferson Standard Life**—Insurance in force at the end of the third quarter was \$493,400,000, a gain of \$23,060,000 for the period and the largest gain of any similar period since 1920. New business amounted to \$38,750,000, increase of 11% over the first nine months of 1942. Sales in September increased 27% over September, 1942. Lapses continue downward. Jefferson Standard has as its 1943 objective \$500,000,000 insurance in force.

**National Life of Vt.**—In September a gain of 81.96% in the sale of new life insurance was scored over the corresponding month of 1942. Not within memory of the present officers of the company has there been such a large plus sign for any one month. The increase in insurance in force continues to be substantial, bringing the total up to \$634,635,593. National Life has 142 men and women in the armed forces and many others who have entered upon some other sort of war work, hence the record is all the more remarkable.

**Equitable Life of Iowa**—New paid business of life insurance and annuities in September was \$5,333,252, which was 28.1% greater than in September, 1942. This was the tenth consecutive plus month. Paid business during the first nine months totals \$55,545,895, which is \$15,591,548, or 39%, greater than in the comparable period of 1942, and the highest total for the first nine months of any year since 1930.

Life insurance in force was increased in September by \$1,641,038, increasing

the gain for the year to \$17,067,253. The total is now \$651,500,266.

The New York City agency, Hoey & Ellison Life Agency, led the field in September. Leading personal producer was C. P. Montone, New York.

**Ohio National Life**—Paid-for production during September exceeded \$2,000,000. This represents a 42.1% increase over the corresponding month in 1942, and is the largest production recorded for September in over five years. Guy Chiesman, general agent at Spokane, led the field force in personal production.

**Minnesota Mutual**—Insurance in force increased at the rate of 280% in first nine months this year over same period of 1942; new paid production rose 139% as compared to last year.

**Columbus Mutual Life**—During the first six months of this agency year the 50 leaders show an increase in paid business of 55% over the corresponding period in 1942. The increase of all fieldmen in paid production has been 40%. During recent months production gains have been substantially higher than those recorded in the spring and early summer. The renewal percentage is at an all-time high, surrenders and requests for policy loans at an all-time low.

**Commonwealth Life**—Reports production of new business in its general field is very gratifying. The quality of its business is consistently improving.

## C. L. U.

#### San Francisco Chapter Meets

SAN FRANCISCO—Floyd Byrnes, field supervisor U. S. Employment Office, spoke at a dinner meeting of the San Francisco C.L.U. chapter. Hugh W. Davy, general agent Home Life; R. Edwin Wood, manager Phoenix Mutual; W. Stanley Brooks, Guardian, and

James V. Lawry, Northwestern Mutual Life, were presented C.L.U. degrees.

#### Klingman Dallas President

Lloyd W. Klingman, Equitable Society, has been elected president of the Dallas C.L.U. chapter. He was vice-president last year and served for a few months as acting president after Captain Ricks Strong of John Hancock went on active duty with the marines. Other officers are Harry M. Roberts, Southwestern Life, vice-president, and Miss Cora Dulaney, Great National Life, who continues as secretary-treasurer. President Klingman will be program chairman.

#### Indianapolis Chapter Elects

William A. Clabaugh, Provident Mutual Life, has been elected president of the Indianapolis C.L.U. chapter. Other officers are: Vice-presidents, central, Grant Johnson, Indianapolis; northern, Lowell T. Boyd, Kokomo, and southern, Dr. J. Edward Hedges, Bloomington. Hilbert Rust of Indianapolis, is secretary-treasurer.

Edward A. Krueger, national treasurer of the American Society of C.L.U., outlined its war service program, including a refresher course for members in the armed forces.

#### N. J. Commissioner to Speak

Commissioner Agger of New Jersey will address a joint meeting of the Cincinnati Life Underwriters Association and Cincinnati Chapter of C.L.U. Oct. 15 at a luncheon, speaking on "Post-War Reconstruction and Life Insurance." The address is sponsored by the C.L.U. chapter, which invited all members of the Cincinnati association, bankers, accountants, attorneys and teachers to attend.

H. H. Hampton has been promoted from superintendent to manager at West Palm Beach, Fla., for Gulf Life.

## THE PRAETORIANS

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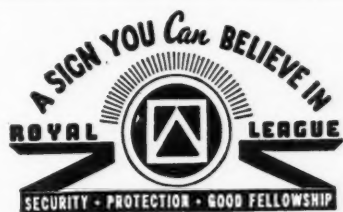
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Supreme Secretary

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## Uniform Policy Form Tests in Accident - Health Field Framed

(CONTINUED FROM PAGE 3)

The proposed recommendations are shown herewith:

The first obligation of an insurer is to make certain that the policy, rider or endorsement has been drafted in compliance with the statutes of the state in which approval is sought. All states accept policies containing "standard provisions" but in some states a corrective rider or endorsement is necessary to change some of the standard provisions to comply with the statutes of the individual state. It is important that each company be familiar with the statutory requirements of the individual states. A uniform procedure in the filing of forms is beneficial to the insurance departments and the insurers alike and the following is suggested:

### Filing of Forms

When policy forms, riders or endorsements are printed and complete, they should be formally filed as follows:

A. Two copies of all such forms shall be submitted in blank with copy of application applying thereto, if such application is to be made a part of the contract.

B. Each form must bear an identifying form number in the left hand lower corner of the first page.

C. It is suggested that each insurer submit filing letter in duplicate, one copy to be retained by the department, the other to be used for acknowledgment or approval purposes and returned to the insurer.

D. The filing letter should contain the following information:

- (1) Name of form and identifying form number.
- (2) If the submission is a new form, so state.
- (3) If the form is intended to supersede another, give the form number of the form replaced.
- (4) State whether or not the form has been approved by the department of the home state or specify that the form is not to be used in the home state.

### Guide for Review of Contracts of Accident and Health Insurance

#### Title of Policy

Title of policy, if any, must not be misleading.

#### Brief Description

1. A brief description fairly inclusive of what is to be found in the policy must be printed at the top of the first page of the policy and on its filing back in identical words.

2. The description should contain limiting words as, for instance, either "as herein limited and provided" or "to the extent herein provided."

3. Should be set forth in 18 point type. (Some states accept 14 point type.) Ticket policies issued only at transportation offices are excepted.

4. Must agree with the insuring clause, i.e., "accidental bodily injury"—"injury sustained through accidental means," etc.

5. The word "unlimited" must not be used in the brief description.

#### Limited Policy Imprint

1. All limited policies shall be so identified by having the words "THIS IS A LIMITED POLICY — READ IT CAREFULLY" imprinted diagonally across the face of the policy and the filing back in contrasting color from the text of the policy and in outline type not smaller than 18 point.

For the purpose of this requirement, a limited policy is one that contains unusual exclusions, limitations, reductions, or conditions of such a restrictive nature that the payment of benefits under such policy are limited in frequency or in amounts.

2. If any policy provides coverage for the wrecking or disablement of or material damage to any automobile, elevator or other conveyance in which the insured is a passenger at the time of the accident, such words must be defined (in the text of the policy or by rider or endorsement) substantially as damage which necessitates the immediate stopping of the conveyance and repairs in order to place the conveyance in as good condition as it was before the accident. If any policy confines the coverage to the conditions above mentioned, such

policy shall also be designated as a limited policy as above provided.

#### Name of Insurer

All policies must bear the corporate name of the insurer by which it is issued on the face and filing back.

#### Date

A policy must express the time at which the insurance thereunder takes effect and terminates.

#### Premiums

The entire consideration for which policy is issued must be expressed in the policy.

#### Standard Time

If reference is made to any standard of time by which to determine the term of the policy, such reference must be to the standard time at the place where the insured resides.

#### Grace Period

If policy provides a grace period for the payment of premium, the coverage during that period cannot be made contingent upon payment of the premium before the expiration of the grace period.

#### Benefits (Indemnities)

1. If in contracts providing specified benefits for dismemberment, death or surgical operations the insurer limits its liability to one such loss as a result of the same accident, hospitalization or illness, a provision shall be included entitling the insured to receive the largest amount so specified.

2. If any benefits in a policy are to be reduced when the insured attains a specified age, the appropriate provision

in the policy shall be printed in bold face type in the paragraph concerning reductions.

3. In case the insured or beneficiary shall have the right to elect alternative benefits, the time for making such election shall not be shorter than the time allowed for the giving of notice of injury or sickness.

#### Reimburse

No provision shall contain the words "reimburse" or "reimbursement" or the phrase "the amount actually expended" or require the insured to furnish a receipted bill as proof of loss. Such a clause may provide that the insurer will pay the expenses actually incurred within specified limits.

#### Identification

Any provision of a policy which purports to "identify" an insured shall be given no caption which does not clearly designate the coverage provided and such a provision shall be included in the policy only when the insurer follows the practice of providing an identification card or token suitable to be carried on the person of the insured.

#### Execution by Insurer

A policy should contain an attestation clause which should be signed by the proper executive officers in accordance with the by-laws of the insurer. (Facsimile signatures are acceptable if countersignature or other similar authentication is provided for). Policies issued by alien companies may be over the signature of the United States manager.

#### Reinstatement

Policies shall contain no conflicting requirements with those mentioned in

standard provision 3 concerning reinstatement after lapse.

#### Applications

1. Applications shall be composed of questions by the insurer in the form of clear and direct interrogatories permitting answers by the applicant only in the form of direct statements of known facts and shall not contain any questions or representations based on indefinite or ambiguous terms.

2. Must be based upon representations and not warranties.

3. If part of the consideration for the issuance of a policy is a written application, a copy of application must be attached to or endorsed upon the policy in not less than 10 point type.

#### Riders

A rider is an instrument, signed by one or more officers of the insurer issuing the same, to be attached to and form a part of a policy. If the rider purports to reduce or eliminate coverage of policy, size of type used shall comply with policy regulations. If the rider does not reduce or eliminate coverage of policy, signature of insured is not necessary.

#### Endorsements

An endorsement differs from a rider only in that it is applied to a policy by means of printing or stamping on the body of the policy.

### STANDARD PROVISIONS

A number of the states require the use of standard provisions. Other states which do not have a standard provisions law accept and permit the use of standard provisions. If a policy form is for use only in a state not having a standard provisions law, the policy need not contain the standard provisions. If an insurer is domiciled in a state which does not have a standard provisions law, such insurer may use the standard provisions of any state in which such insurer does business. As a matter of reciprocity between states, the few typographical differences between the standard provisions required by the several states may be disregarded when the meaning is not changed.

Numerals should be used in the designation of the standard provisions. Numbers appearing in the text of the standard provisions should be spelled out. Separate captions for individual standard provisions should not be used.

The standard provisions used must agree exactly, by language and number, with the standard provisions in the law of the state followed.

#### Standard Provision 1

If the pro rating form is used, it is a reducing clause, and the first paragraph of provision No. 1 must be printed in 12 point bold face type, i.e., with more prominence than the exclusions.

#### Standard Provision 3

Use the first alternative clause in an accident policy. Use the second alternative clause in a health policy. Use the third alternative clause in an accident and health policy.

#### Standard Provision 4

Use the first alternative clause in an accident policy. Use the second alternative clause in a health policy. Use the third alternative clause in an accident and health policy. If a death benefit is provided in the policy, immediate notice of accidental death may be required in the language of the law.

#### Standard Provision 7

Use the first alternative clause in policies providing no weekly or monthly indemnity for loss of time. Use the second alternative clause in policies providing only weekly or monthly indemnity for loss of time. Use the third alternative clause in policies providing weekly or monthly indemnity with other benefits.

#### Standard Provision 9

Use first alternative clause in policies providing no weekly or monthly indemnity. Use second alternative clause in policies providing other benefits in addition to weekly or monthly indemnity. This provision may be omitted in policies providing weekly or monthly indemnity only. Insert "immediate" or some period of time not to exceed 60 days in blank space.

#### Standard Provision 10

Use this provision only in policies providing a weekly or monthly indemnity. Omit in other policies. Insert "all" or not less than one-half

## Buys \$10,000,000 More War Bonds



This picture shows John A. Stevenson, president of Penn Mutual Life, presenting a check for \$10,000,000 to Alfred H. Williams, president of the Federal Reserve Bank of Philadelphia, for its additional purchase of war bonds, bringing Penn Mutual's total in the Third War Loan drive to \$35,000,000. The company's investment in the United States government securities has now reached a total of \$277,498,475.



in the first blank space, and some period of time not to exceed 60 days in the second blank space. (Time limit in New York state is 30 days.)

#### Standard Provision 11

Use first alternative clause in policies paying a death benefit. Use second alternative clause in policies without a death benefit.

#### Standard Provision 13

Use only in policies providing a death benefit.

#### OPTIONAL STANDARD PROVISIONS

The optional standard provisions begin with No. 16 (cancellation clause) and must follow immediately after and under the same heading standard provisions.

#### Optional Standard Provision 17

This is a reducing clause and requires 12 point bold face type.

#### Optional Standard Provision 19

Print in 12 point bold face type and use the first alternative clause in policies providing no weekly or monthly indemnity. Use second alternative clause in policies providing only weekly or monthly indemnity. Use the third alternative clause in policies providing both weekly or monthly indemnity and principal or capital sum payments.

#### Optional Standard Provision 20

Any ages may be inserted in blank space. This provision should be printed in light face 10 point type.

#### GENERAL, MISCELLANEOUS OR ADDITIONAL PROVISIONS

Such provisions shall immediately precede or follow the standard provisions.

As the time for bringing legal action differs in some states, the following or similar provision should be included: "If any time limitation of this policy with respect to the bringing of an action at law or in equity is less than that permitted by the law of the state in which the insured resides at the time this policy is issued, such limitation is hereby extended to agree with the minimum period permitted by such law."

A policy, if designed to be renewed or continued, should include a provision clearly setting forth the conditions upon which such renewal or continuance may be effected.

Such provisions should include a statement to the effect that "no provisions of the charter, constitution or by-laws of the insurer shall be used in defense of any claim arising under the policy unless such provision is incorporated in full in the policy."

As the standard provisions specify the time limit for filing proofs, no contradictory clause should be used to limit the time for presenting reports of continuance of disability, or doctors' or other bills which may be covered by the policy.

#### Exceptions and Reductions

The standard provisions law as adopted by many of the states, contains provisions relative to exceptions and reductions substantially as follows:

"Such policy shall not be issued or delivered to any person in this state:—"

"Unless the exceptions of the policy are printed with the same prominence as the benefits to which they apply; or

"Unless, if any portion of such policy purports, by reason of circumstances under which a loss is incurred, to reduce any indemnity to an amount less than that provided for the same loss occurring under ordinary circumstances, such portion is printed in bold face type and with greater prominence than any other portion of the text of the policy."

#### Definitions

An exception is any provision in a policy whereby coverage for a specified hazard is entirely eliminated. In other words, an exception is a statement of a risk not assumed.

The following are examples of exceptions:

"This insurance does not cover hernia; war: outside of the United States," etc.

A reduction is a provision which takes away some portion, but not all of the coverage of the policy under certain specific conditions. In other words, a risk of loss is assumed by the insurer but payment upon the occurrence of such loss is limited to some amount or period less than would be otherwise



AT AMERICAN LIFE CONVENTION:

W. W. Jaeger, Bankers Life of Iowa, Mrs. Jaeger; Claris Adams, Ohio State Life.

payable had such reduction clause not been used.

The following are examples of reduction clauses:

The first sentence of the long form of standard provision 1; optional standard provision 17; and 19: "Liability for hernia shall be limited hereunder to one month" (where policy provides indemnities for longer than one month for other conditions).

#### Use of Exceptions and Reductions

It is recommended that the exceptions and reductions in a policy comply with the following:

1. An exception will be considered as being printed with the same prominence as the benefit if it is printed with the same size and style of type as is used in the benefit provision and appears as a part of or immediately following the benefit provision to which it applies.

2. If the exception is not a part of or does not immediately follow the benefit provision to which it applies, but appears elsewhere in the policy, then the exception shall be printed with the same point and style of type except such type shall be in bold face.

3. A reduction is printed in greater prominence if it is printed in a larger point bold face type than the text of the policy or the exceptions, except in the case of (1) above, the same size type but in bold face will be satisfactory.

4. The text of the policy must not be printed in less than 10 point type and when 10 point type is used, the exceptions must be printed in 10 point bold face type and the reductions in 12 point bold face type, except in the case of (1) above, where 10 point light face type shall be used for stating the benefits and the exceptions, and 10 point bold face type for the reductions.

5. Uniformity in make-up and typographical appearance of the policy is desirable. Obtaining of greater or lesser prominence by using different styles of type, boxing, indentations, spacing, etc., is not recommended.

6. Certain exceptions—causal connection.

Where a policy contains exceptions that reduce or entirely relieve the insurer of liability when loss is sustained while violating law, while intoxicated or during riots, etc., such exceptions must be so drafted as to reduce or eliminate the insurer's liability only where there is causal connection between the thing excepted and the loss. The principle involved in the foregoing type of exceptions does not apply in exceptions such as "while outside of the United States," "while in military or naval service," etc., and no causal connection need be incorporated in this type of exceptions.

7. Military or naval service.

If the policy excepts coverage while the insured is in military or naval service, the policy must provide for a refund of pro rata unearned premium at the request of the insured for any period the insured is not covered. However, if coverage is excluded only for loss resulting from military or naval

service or war, the refund provision will not be required.

8. Chronic disease.

An exception which excludes liability for "chronic disease" from a sickness policy will not be permitted. Diseases sought to be excluded from coverage shall be stated with sufficient clarity so as to be readily identifiable. Terms such as "heart disease," "pulmonary disease" or "venereal disease" are acceptable.

9. Occurrence of loss cancels policy.

A provision that the occurrence of any loss covered by the policy cancels the policy as to losses from injuries thereafter occurring is an exception.

10. Particular reductions. (The particular reductions herein outlined constitute a partial list for illustrative purposes only and they do not include the standard provisions reductions.)

(a) Covered as sickness—If a combination accident and health policy provides that losses caused by hernia, sunstroke, freezing, or, injuries where there are no visible marks, contusions, wounds, etc., shall be considered only under the sickness provisions of the policy, then such provisions constitute reductions assuming that the sickness provisions are less favorable to the insured than the accident provisions. The sickness provisions are less favorable than the accident provisions if the rate of indemnity is less for sickness than for accident, if the total period of time for which the insurer provides indemnity is less for sickness than for accident, if confinement to house and treatment therein are required for sickness and not for accident, etc.

(b) Reduced benefits for certain sicknesses or accidents—If a policy pays smaller indemnities or for shorter period of time for certain named diseases or for certain named types of accidents or injuries, than would otherwise be payable, then such provision is a reduction and shall be printed with greater prominence.

(c) Reduced benefits because of age—A provision for payment of only a percentage of the full benefits while the insured is under or over certain specified ages is a reduction and shall be printed with greater prominence.

(d) In lieu of—If the policy provides for payment of a specified amount in lieu of any other payment under the policy without giving the insured the right of election, which specified amount might be less than the maximum amount that would otherwise have been payable under the policy had the "in lieu of" provision not been included, then such a provision is a reduction and must be printed with greater prominence.

(e) Elective indemnities—schedule of operations, etc.—If specified amounts are printed in the policy as being payable for certain types of injuries or operations, and there is included a provision that the amounts so shown apply if the policy monthly indemnity is for example \$100 per month, and the specified amounts are to be reduced in proportion if the monthly indemnity is less than \$100 per month, then such provision is a reduction and must be printed with greater prominence.

11. Captions.

Except in the case of (1) above, the

exceptions and reductions (other than standard provisions) should be placed in a paragraph or paragraphs following the coverage provisions and preceding the standard provisions and be clearly captioned, i.e.—"Exclusions" or "Exclusions and Reductions" or "Not Covered" or "Reductions" or "Exceptions" or "Reduced Benefits," etc. Separate paragraphs may be used for exceptions and reductions if each paragraph is appropriately captioned. Exceptions or reductions shall not be included under captions such as "Miscellaneous Provisions" or "Additional Provisions" or "General Provisions."

There are also some recommendations as to character and size of type of accident and health policy forms.

## Nadler Gives Advice to Investment Officers

(CONTINUED FROM PAGE 2)

ple and what effect they will have on real estate. He, therefore, would summarize his policy: As for real estate, he would sell all doubtful property at present when the demand has increased and when the door of inflation and the general belief that real estate is a hedge against it have created a thoroughly active demand. The buyer cannot abuse the property during the war and throw it back to the company at the end of the war.

Mortgage loans, he said, are sound investments provided the mortgages are properly amortized. He thinks that the amortization could be moderately increased during the war.

FHA mortgages, in his opinion, are sound investments and he thinks the FHA is here to stay and will probably be broadened in the post war period in order to precipitate home building and influence business activity.

He said that some large insurance companies have in recent years adopted the policy of constructing buildings themselves rather than acquire mortgages. The advantages of such a policy may briefly be summarized as follows: First, when a company puts up its own building the site is carefully selected and the building is constructed to the specifications of the company. Next, the management of the property is at all times in the hands of the company which is in a position to make repairs if necessary and to prevent depreciation. Thirdly, the company is in a position to arrange the amortization program based on the earnings of the property.

The disadvantages are, first, there is no equity capital to protect the investment of the company. Next, it may be questioned whether it is sound public policy for an insurance company to act as landlord. In Mr. Nadler's opinion the disadvantages are more nominal than real. The equity capital, he said, is often too small and may be wiped out or taken out of the earnings particularly in the initial stages when rents are high. Next, companies are already landlords to a large extent and so far it has not affected their standing in the community.

## COMMON STOCKS

Mr. Nadler's comment on investment in stocks was interesting. Some companies invest in stocks in a limited way, according to the laws of their state. Although a great many services have developed to aid the investor in beating the stock market to his mind this is impossible. The soundest policy, he said, thus far devised for investment in common stocks is to follow the business cycle. Under fairly normal conditions the movement of equities is to a large extent determined by business activity, the present earnings of corporations and the outlook for future earnings. The best policy for investments and equities, in his opinion, is to buy shares when business activity is at a low level approaching its nadir, to sell when business activity is approaching the zenith. The most important element is timing.

## Ponder Anti-Trust Exemption Bill

(CONTINUED FROM PAGE 1)

ple in informal discussion and by the commissioners was why the legislation was not broader in scope than merely to exempt insurance from the federal anti-trust laws. That question was posed at the open session of the executive committee meeting and E. M. Griggs of Chicago, associate general counsel of the National Board of Fire Underwriters, was asked to speak on that point. Mr. Griggs explained that he had not participated in all of the conferences that led to the introduction of the legislation but he expressed the opinion that sponsors of the bill felt that it would have a better chance of passage if it were not so sweeping as to provoke such controversial questions as compliance on the part of the insurance industry with the federal wage and hour laws. Others who are committed to this particular legislation also observe that in the preamble it is stated that Congress recognizes that insurance is not interstate commerce and hence is not subject to the federal anti-trust laws. Thus, they declare, the implications of the bill are broader than the mere provision for exemption from the anti-trust laws. Also the preamble removes the bills from the field of class legislation.

Also in a questioning vein, the theory was explored as to whether the bills would not suit the designs of advocates of federal regulation. It was suggested that if there were ever to be federal regulation, the question would immediately arise as to whether collaboration on rates, underwriting practices, etc., necessary to the orderly conduct of the insurance business would not conflict with the nation's anti-trust laws. Hence it was asked, would it not suit those who advocate federal regulation to have on the books a statute specifically exempting insurance from the anti-trust laws. With that problem disposed of, a system of federal regulation could be more easily constructed, according to this line of inquiry. Those advancing such a theory were more interested in provoking discussion in order to get evidence upon which to formulate an opinion than they were in winning adherence to such a view.

### Views of Other Elements

Another question in which the commissioners were interested was the attitude towards the legislation of other elements in the insurance business besides the National Board. Roy L. Davis of Chicago, western representative of the Association of Casualty & Surety Executives, was called upon to speak for his organization at the opening session but at that time Mr. Davis had no instructions. The next day, however, he was able to say that the bills were being supported by his association.

A. V. Gruhn, general manager of the American Mutual Alliance, was invited to give his views. He said that the mutual organization had not arrived at a final decision but he exhibited a rather cynical attitude. He said counsel for the Alliance are studying constitutional questions that are involved. One question that occurs to him, he said, is whether the bill is not designed exclusively to relieve the stock fire companies of their Atlanta-S.E.U.A. problem. Also he said he wonders whether a bill exempting insurance from a particular federal law might not constitute an admission that insurance is in other respects subject to federal jurisdiction. Later both Mr. Gruhn and Mr. Griggs were questioned at greater length by the executive committee in executive session.

The commissioners also discovered that the life insurance people had not taken a stand.

Some of the commissioners, it is reported, were resentful that they had not been consulted beforehand about the legislation.

There may have been a reluctance on the part of some of the members to commit themselves until they have an

opportunity to discuss the question with their governors and to be sure that whatever they do is in harmony with the political tempo at home.

One feature that the commissioners apparently did not bother to discuss were the charges of irresponsible commentators and columnists that the fire insurance companies had gotten up a huge "slush fund" with which to put the legislation across. The commissioners know the character of the fire insurance business well enough to dismiss any suggestion that there is an intention to use money in a sinister way. Those who are making the "slush fund" charge always couple it with a reference to the Missouri rate case scandal but the commissioners know that this was a hideous personal act on the part of a sick old man and that it was an egregious case. The National Board is conducting the campaign for these bills entirely in the open. It is obvious that the publication of tracts and other expenses in propagating the message will be substantial but the National Board, aside from its customary policy of correct dealing in the field of legislation, must realize that its books are likely to be examined searching by the Department of Justice. At any rate the commissioners didn't think enough of these scandal stories to talk about them.

There was also discussion as to the practical political question of the chance for success of the bill. The majority seemed to feel that they have a very good chance of passage. Some have the idea that if they could be enacted by an overwhelming majority it would be well to promote them but that if it is to be a close decision it might be wise to back away.

There were also questions as to the effect of the bills should they be passed, on the S.E.U.A. anti-trust suit which is to go before the U. S. Supreme Court. It was made clear that the bills, if passed, would not be retroactive in their effect and that they would not affect the litigation.

Following a lengthy discussion of the federal legislation the first day, a subcommittee was appointed to compose a resolution that embodied what the committee was willing to say at the moment and that committee did its work at a breakfast meeting. It consisted of Williams, Jones and Cullen.

### Dillon Is Club President

Harold T. Dillon of Atlanta becomes president of the Leaders Club of Fidelity Mutual Life for the club year ended in 1943 on the basis of his production. Richard W. Campbell of Altoona, Pa., is vice-president; James H. Brennan, Chicago, second vice-president; Gerald M. Doherty, Boston, secretary, and Nicholas G. Caputi, Providence, R. I., treasurer.

## Commissioners' Dates Are Changed

(CONTINUED FROM PAGE 2)

a request from A. V. Gruhn, general manager of the American Mutual Alliance, for an extension beyond March 1 of the deadline for filing 1943 annual statements.

There was some correspondence regarding the treatment for income tax purposes of FHA loans that are purchased by insurance companies at a premium. Inasmuch as these loans may be paid off at any time at par the insurance companies desire to charge off the premium immediately as an expense and it is understood that the Internal Revenue Bureau has informally assented to such a practice.

It was announced that Crabbe of Ohio had been named acting representative of Zone 2 in place of Gontrum.

### Woods and Proctor Set Records in Bond Drive

CHATTANOOGA—Cecil Woods, president Volunteer State Life, has received a message of congratulation from Secretary of Treasury Morgenthau for the successful completion of the Tennessee war bond drive for which he was state chairman. Sales totalled \$166,000, 000 or 118% of quota. Mr. Woods has not announced when he will go to Nebraska to claim the "corn-fed hog" wagered on the bond campaign outcome by Governor Griswold of Nebraska.

E. Tom Proctor, Northwestern Mutual, chairman for Davidson county and Nashville in the war bond drive, set a record of selling 175% of quota, one of the highest in the nation.

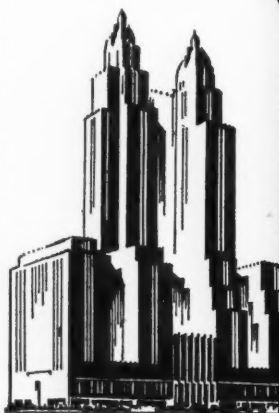
### Sullivan to Economics Society

The Insurance Economics Society has employed Ernest V. Sullivan as director of publicity. Mr. Sullivan was at one time on the staff of the "Spectator." Later he went with Insuranshares and then with Mutual Life of New York as assistant to W. F. Story, librarian. He edited Mutual Life's house organ and aided in publicity matters.

For the present, he will be located at the society's offices at 103 Park avenue, New York City.

### A. L. C. Membership Now 180

The American Life Convention membership has reached the all-time high of 180 companies with admission of Central Life of Des Moines and National Aid Life of Oklahoma City. Central Life was organized in 1896 and operates in 20 states. National Aid Life was organized in 1923, and is licensed in Arkansas, Missouri and Oklahoma. The A.L.C. now has members domiciled in 39 states, District of Columbia and the provinces of Manitoba, Ontario and Quebec in Canada.



## Headquarters for Wartime Conferences

"Streamlined" conferences are welcomed at The Waldorf-Astoria. They are accorded the same diligent cooperation and staff assistance that made this hotel the convention center when occasions were more elaborate. Wartime regulations and restrictions are being obeyed, but there is no ceiling on friendliness.

**THE WALDORF-ASTORIA**

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# FORWARD

## On All Fronts

Life underwriters under arms are serving the Cause of Freedom with distinction on the far flung fields of war.

Life underwriters of the home front are also making vital contributions to the Cause of Freedom. Theirs is a national mission, even more essential in times of war than in days of peace. Their arms include the sale of new life insurance and war bonds, the servicing of life insurance now owned, the relentless assault upon inflation, and a united and determined will to carry on . . . mighty weapons all for furthering the Cause of Freedom and perpetuating the Democratic Way of Life.

## EQUITABLE LIFE of IOWA

Founded 1867

HOME OFFICE

DES MOINES

## OPPORTUNITY

The Pan-American Life Offers:

- A complete line of Policies on Participating and Non-Participating Plans.
- One of the most Liberal Agency Contracts in America—  
Commissions plus cash allowances
- A Recruiting Plan and Special Training for New Fieldmen.
- A New System, relieving General Agents from detailed Agency Accounting.
- Attractive and Effective Sales Aids and Policy Illustrations.
- Prospects for Insurance furnished through a Proven System.

Correspondence invited with men not at present connected.

Address:

Charles J. Mesman, Superintendent of Agencies

## PAN-AMERICAN LIFE INSURANCE COMPANY

New Orleans, U. S. A.

Crawford H. Ellis  
President

Edward G. Simmons  
Executive Vice-President

It would be a courtesy to THE NATIONAL UNDERWRITER if you will mention the name of this publication when replying to the above advertisement. Pan-American Life Ins. Co.

## DO YOU KNOW—

about the many advantages of the  
**LOW COST—4 FOLD security plan**  
provided by our

### MONTHLY INCOME CONTINUATION POLICY

THE benefits and provisions of this unique contract make it especially attractive and particularly adaptable to meet ideally situations where it is desired to:

- ▶ Supplement the Survivors' Benefits payable under Social Security.
- ▶ Augment—both in amount and duration—the monthly income benefits payable under any existing life policy and thus provide a more complete and well-rounded program of financial security and protection.
- ▶ Provide for principal sum or monthly payments to redeem fully or to cover periodically a reducing mortgage.
- ▶ Provide term insurance protection where the primary consideration is monthly income payments over definite periods.

There are many other situations in the planning of life insurance programs and estates where this Monthly Income Continuation Policy will fit in admirably to give a well-rounded program of protection.

Why not thoroughly familiarize yourself with the many sales advantages available only in this new Berkshire policy?



ASK  
ANY

## Berkshire

GENERAL  
AGENT

### LIFE INSURANCE COMPANY

(INCORPORATED 1951)

HARRISON L. AMBER, President

PITTSFIELD, MASS.

## BE YOU BUYER OR SELLER



these two proofs of soundness are significant—

1. **Steady growth** . . . Chart at right shows the rank of this company, in insurance in force, among the legal reserve companies of the Nation and of Texas.
2. **Investments** . . . This company is one of a very few offering the policyowner "Registered Policy Protection".

Write: M. ALLEN ANDERSON, First Vice-President, Director of Agencies



### REPUBLIC NATIONAL LIFE INSURANCE CO.

HOME OFFICE

Theo. P. Beasley, President

DALLAS 8, TEXAS



## Mister—you're getting paid in DYNAMITE!

**L**ET'S NOT KID OURSELVES about this. Our pay envelope today *is* dynamite.

If we handle it *wrong*, it can blow up in our face . . . lengthen the war . . . and maybe wreck our chances of having happiness and security *after* the war.

### **The wrong way to handle it...and why**

The wrong way is for us to be good-time Charlies. To wink at prices that look too steep . . . telling ourselves we can afford to splurge.

We *can't* afford to—whether we're business men, farmers, or workers. And here's why:

Splurging will boost prices. First on one thing, then all along the line.

Then, wages will have to go up to meet higher prices. And higher wages will push prices up some more . . . faster and faster, like a runaway snowball.

The reason this can happen is that there is more money in pay envelopes today than there are things to buy with it. This year, we Americans will have *45 billion* dollars more income than there are goods and services to buy at present prices.

That's the dynamite!

### **The right way to handle it...and why**

Our Government is doing a lot of things to keep the cost of living from snowballing.

Rationing helps. Price ceilings help. Wage-and-rent stabilization helps. Higher taxes help. They're *controls* on those dangerous excess dollars.

*But the real control is in our hands. Yours. Mine.*

It won't be fun. It will mean sacrifice and penny-pinching. But it's the only way we can win this war . . . pay for it . . . and keep America a going nation afterwards.

And, after all, the sacrifice of tightening our belts and doing without is a small sacrifice compared with giving your life or your blood in battle!

### **Here's what You must do**

**Buy only what you absolutely need.** And this means absolutely. If you're tempted, think what a front-line soldier finds he can get along without.

**Don't ask higher prices**—for your own labor, your own services, or goods you sell. Resist all pressure to force **YOUR** prices up.

**Buy rationed goods only by exchanging stamps.**

Shun the Black Market as you would shun the plague.

**Don't pay a cent above ceiling prices.**

**Take a grin-and-bear-it attitude on taxes.** They must get heavier. But remember, these taxes help pay for Victory.

**Pay off your debts. Don't make new ones.** Getting yourself in the clear helps keep your Country in the clear.

**Start a savings account. Buy and keep up adequate life insurance.** This puts your dollars where they'll do you good.

**Buy more War Bonds.** Not just a "percent" that lets you feel patriotic, but enough so it *really* pinches your pocketbook.

If we do these things, we and our Government won't have to fight a postwar battle against collapsing prices and paralyzed business. It's *our* pay envelope. It's up to *us*.

## KEEP PRICES DOWN!

Use it up • Wear it out

Make it do • Or do without

This advertisement, prepared by the War Advertising Council, is contributed by this magazine in co-operation with the Magazine Publishers of America.